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ABSTRACT

This bulletin contains materials--announcements, papers, and studies--that are concerned with youth policy issues and that focus on education and training. The first section, entitled Quidnunc, offers brief descriptions of projects of interest, reports recent appointments, and announces conferences. The second section, called Aspects, offers two papers, one on aboriginal youth issues and the other on the Work Resources Centre in Canberra. A paper on training programs for school leavers in West Germany is presented in the section entitled "Looking at Other Countries." The fourth section concerns participation and contains four articles. They deal with the following subjects: (1) aboriginal and Torres Strait Islander secondary education and the Participation and Equity Program (PEP), (2) a Western Australian perspective on PEP, (3) developments in PEP, and (4) post-compulsory schooling (a summary of a discussion paper issued by the Minister of Education in Victoria). The fifth section, on youth studies research, provides a summary of research on employer attitudes, practices regarding recruitment and selection, expectations and assessments of young people, and youth unemployment. A companion paper discusses sources of statistics on youth employment. The final and main section is a review paper, comprising a collection of eight papers on job creation. Specific topics include a demand side interpretation of labor markets, job creation for disadvantaged workers, and the role of local government. (YLB)

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Vol. 3 No. 2
May 1984

The Australian National University
RESEARCH SCHOOL OF SOCIAL SCIENCES
Department of Sociology

ED244080

NATIONAL CLEARINGHOUSE
FOR YOUTH STUDIES

Youth Studies Bulletin

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YOUTH STUDIES BULLETIN

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IN THIS ISSUE

	Page
* **ABOUT THE CLEARINGHOUSE**	1
* **QUIDNUNC**	3
. Projects of Interest	3
. Recent Appointments	8
. Conferences	10
* **ASPECTS**	12
. Aboriginal Youth Issues by *Bill Hoyles*	12
. The Work Resources Centre, Canberra, ACT by *Gail Lewis*	16
* **LOOKING AT OTHER COUNTRIES NO. 5: WEST GERMANY**	21
. Training Programs for School Leavers in West Germany by *Friedrich Fürstenberg*	21
* **POLICIES, PROVISIONS AND PARTICIPATION**	25
. Aboriginal and Torres Strait Islander Secondary Education and the Participation and Equity Program by *Paul Hughes* assisted by *Frances Bray*	25
. The Participation and Equity Program: A Western Australian Perspective by *Peter Dunnell*	30
. Developments in PEP	33
. Ministerial Review of Post-Compulsory Schooling. Discussion Paper issued by the Minister of Education in Victoria: A Summary by *C. Blakers*	37
* **YOUTH STUDIES: THE RESEARCH**	41
. The Youth Labour Market: Employers' Views and Practices by *C. Blakers*	41
. Statistics on Youth Employment by *Moira Rowland*	64
* **REVIEW PAPER NO. 12**	70
. Perspectives on Job Creation: A collection of papers by different authors	

NO COMMENT

A woman is a worthy thing;
They do the washe and do the wringe;
"Lullay, lullay!" she dothe thee singe;
And yet she hath but care and wo.

A woman is a worthy wight;
She serveth a man both day and night;
Thereto she putteth alle her might;
And yet she hath but care and wo.

Anon. 15th Century

Today I had a meeting with Sir Humphrey about equal opportunities. But I had taken care not to let on in advance - in his diary Bernard had written 'Staffing'.

He came in, smiling, confident, benign, patrician, apparently without a care in the world. So I decided to shake him up a bit, then and there.

'Humphrey', I began, 'I have made a policy decision'.

He froze, half-way down into his chair, in a sort of Groucho Marx position, eyeing me warily with pursed lips.

[Presumably Hacker intended to say that Sir Humphrey eyed him warily, and that simultaneously he had pursed his lips. - Ed.]

'A policy decision, Minister?' He recovered himself rapidly and pretended to be pleased with this piece of news.

'Yes', I replied cheerfully, 'I am going to do something about the number of women in the Civil Service'.

'Surely there aren't all that many?' He looked puzzled.

He was missing the point. Bernard hastened to explain.

'The Minister thinks we need **more**'.

'Many more', I added firmly.

Now Sir Humphrey really **was** taken aback. His mind was racing. He just couldn't see what I was driving at. 'But we're actually quite well up to Establishment on typists, cleaners, tea-ladies ...' He petered out, then sought advice. 'Any ideas, Bernard?'

'Well', said Bernard helpfully, 'we are a bit short of temporary secretaries'.

Jonathan Lynn and Anthony Jay (eds.)
Yes, Minister, 1984.

ABOUT THE CLEARINGHOUSE

In this issue of the Youth Studies Bulletin we continue the changes to format, begun in the February issue, which we hope will make the Bulletin easier to read and more attractive in appearance. These are the first fruits of an increased grant by the Commonwealth Department of Education and Youth Affairs, which has enabled us to recruit some part-time assistance covering a variety of skills and experience. Brenda Nicholson joined the Clearinghouse in September last year with experience in accounting and organisation. She has carried a wide range of responsibilities in the day-to-day management of the Clearinghouse and has also been a prime mover in improving the format of the publications. We owe a great deal also to the acquisition, through the Sociology Department, RSSS, of a fine new electronic typewriter which has allowed Eveline Bancroft (who types all our materials) to perform the wonders of right-hand margin justification, automatic centring and type face variation.

Gail Lewis has recently been appointed to work with the Clearinghouse two days a week. The rest of the week she is at the Work Resources Centre at ANU (see Newsletter, February 1982 and ASPECTS in this Bulletin). The combination is of benefit to us as well as to the Centre. Gail has had teaching experience in Zimbabwe and in out-reach programs for youth in South Africa. She has also had considerable experience in writing information material and in organising conferences and seminars. She is already proving her value and competence in the work of the Clearinghouse. Finally, by doing some fairly tight budgeting in our salaries allocation, we have been able to employ Moira Rowland casually as a consultant in the area of economics, where we have long felt a need. Already her help in economics and statistics is a source of strength (and relief). The first of what we hope will be a series of articles by her on research and statistics appears in this Bulletin.

Requests for Clearinghouse materials continue to grow in number and, though we are now printing 600 copies each of the Abstracts and the Bulletin, we will, by the end of the year, be hard pressed to meet all needs. We regret very much having had to refuse requests from some organisations and individuals for multiple copies to be made available, particularly for members of Committees. We are now exploring whether a charge to recipients to cover the costs of extra copies or back copies would be consistent with the terms of our grant.

In this issue of the Bulletin, the main section is the Review Paper No. 12, comprising a collection of papers on aspects of Job Creation. Judging from the material coming to the Clearinghouse, Job Creation is generating wider interest month by month throughout Australia. We hope that these papers will contribute in a constructive way to public discussion about the issues involved.

* * * * * *

* **QUIDNUNC**

PROJECTS OF INTEREST

. AUSTRALIA. MEETINGS OF YOUTH MINISTERS (See **QUIDNUNC**, February 1984,p.3)

A meeting in April of Federal and State Ministers responsible for Youth (together with other meetings of officials) has examined the question of income support for young people. Discussion has been based on the paper of that title produced by the Commonwealth Department of Education and Youth Affairs (see Abstract 84/AB:83). There was general agreement among the Ministers that differences between allowances often acted as a disincentive to participation of young people in education and that restructuring and rationalising of allowances was highly desirable. Beyond this point the issues become extremely complex, as the discussion paper indicates. These have involved examination and discussion of questions such as who should benefit, at what age, in what family and other circumstances; living away from home allowances; levels of allowances; equity for disadvantaged groups. An over-riding consideration in such discussions is the priority to be accorded to income support for young people in the context of other budget needs.

[No doubt the practical resolution of some of these questions will be seen in the level of priority accorded in the 1984-85 Budget to income support for young people and the conditions on which it may be made available].

* * * * * *

. AUSTRALIA. COMMITTEE OF INQUIRY INTO LABOUR MARKET PROGRAMS: PROGRESS REPORT* (See **QUIDNUNC** - February 1984, p.4)

The Committee has met formally seven times to date, and has just commenced its round of Australia-wide consultations with State Governments, industry, trade unions, user groups and other interested parties. The Tasmanian consultations were held in Hobart on 10 and 11 May, and the program for the remaining consultations is Melbourne 24 and 25 May, Brisbane 31 May and 1 June, Darwin 15 June, Newcastle 20 June, Sydney 21 and 22 June, Perth 3 and 4 July, Adelaide 5 and 6 July. Local ACT consultations will take place in Canberra on 19 and 20 July, followed by consultations with major Federal Government Departments and Instrumentalities on 1-3 August. The Committee expects to make an Interim Report at the end of May 1984.

* *From J.W. Ray, Secretary to the Inquiry*

* * * * * *

. AUSTRALIA. NATIONAL ABORIGINAL EDUCATION COMMITTEE

The National Aboriginal Education Committee (NAEC) is the Commonwealth Government's principal adviser on Aboriginal Education. The Committee advises the Minister for Education and Youth Affairs and the Minister for Aboriginal Affairs on Aboriginal education. It is a twenty member committee of Aboriginal and Torres Strait Islander people. The Chairman and Deputy Chairman are full-time members and are located in Canberra. The part-time members are either representatives of their State or Territory or have education expertise in a particular area.

The NAEC is serviced by a Secretariat attached to the Department of Education and Youth Affairs. The Committee works with all Commonwealth agencies with responsibility for Aboriginal Education: the Commonwealth Schools Commission, the Commonwealth Tertiary Education Commission, the Curriculum Development Centre, the Department of Aboriginal Affairs and the Department of Education and Youth Affairs.

* * * * * *

. COMMITTEE FOR DEVELOPMENT OF YOUTH EMPLOYMENT

This Committee, inaugurated at the beginning of 1984, comprises 27 people active and well known in business, union, public service and education in Australia. It grew out of a concern with the levels of youth unemployment and a recognition that responsibility for tackling the problem lay with the community as well as with government. The Committee members have agreed to work together to generate permanent employment opportunities for youth in the community. The objectives of the Committee are

- to devise and develop initiatives within the community which would provide additional employment opportunities for young people nationally
- to encourage and assist the implementation of appropriate work, training and educational programs by the development of positive industry, union, government and community action
- in co-operation with established community groups, to promote programs which generate youth employment in all communities throughout Australia
- to promote continuing education of young people at secondary and tertiary levels.

To further these objectives an Australia-wide network of local committees is planned. The first has been established in Geelong, Victoria, and twelve others are being formed in key centres in all States. The aim is that by the end of 1984 every town in Australia with a population of more than 1,000 will have its own local committee. It is through these groups that the community, which best knows its own problems will be able to contribute to their solution.

The National Committee will provide the services necessary to promote

the ideas and schemes developed locally. It will foster community involvement and provide forums in which issues can be publicly debated. It will co-operate with government, private agencies and other organisations in the furtherance of its objectives. The task of the Committee has been made easier by the endorsement of the Prime Minister, Mr Hawke, and by the support of Federal and State political leaders from all parties.

This initiative signifies an attempt to draw on the huge reservoir of goodwill in the Australian community, to give youth a fair go and empower young people to create their own futures and gain an investment in the future of Australia.

Further information may be obtained from:

Mr Robin Austen, Executive Director
Committee for Development of Youth Employment
370 St Kilda Road
Melbourne, Victoria 3004

* * * * * *

. NSW. OFFICE OF THE MINISTER FOR EDUCATION. SOCIAL DEVELOPMENT UNIT

This Unit advises the Minister for Education and provides information for the community in the areas of anti-discrimination, ethnic affairs and sexism. Its role is to facilitate the changes in policy and practice needed to promote equality of opportunity in education by keeping Goverment and community informed about developments in law, multi-cultural and non-sexist education, policies and programs. It also maintains contact with a variety of government departments and agencies concerned with anti-discrimination education or policy.

The Social Development Unit can also provide:

- information on resources, research, changes in the law, programs being developed in ethnic affairs and to counteract sexism in education
- advice on where to go with problems and complaints in those areas
- assistance with projects, courses and submissions relevant to the Unit's concerns
- speakers for seminars, conferences, inservice courses, staff development programs, parent meetings, student meetings and so on
- information and advice on ethnic schools and ethnic school programs.

Further information may be obtained from:

Joan Bielski, Officer in Charge
Social Development Unit
Office of the Minister for Education
Box 33, G.P.O.
Sydney, N.S.W. 2001 Telephone: 240 8476 [02]

* * * * * *

. W.A. DEPARTMENT OF EMPLOYMENT AND TRAINING. COMMUNITY EMPLOYMENT INITIATIVES UNIT

This Unit has been established to contribute to creative responses to unemployment within the community. Project officers are available

- to support the development of projects that enable unemployed people to acquire and develop skills
- to enable the unemployed to initiate business ventures and community action projects
- to promote positive interaction between unemployed and the wider community.

The Unit offers four schemes: **Co-action** (to enable unemployed people to develop their skills and interests by initiating, developing and designing community improvement projects); **Community Initiatives** (providing small project funds to assist local communities in tackling unemployment); **Co-operative Advisory Service** (for those wishing to establish and develop work co-operatives); **Self-employment Business Ventures Scheme** (providing initial launching capital, advice and support for unemployed individuals and groups).

Further information may be obtained from:

Mr Peter Kenyon, Director
Community Employment Initiatives Unit
5th Floor, SGIO Atrium
170 St George's Terrace
Perth, W.A. 6000 Tel: 322 7733 [See also Review Paper in this issue]

* * * * * *

. U.K. UNIVERSITY OF EDINBURGH. CENTRE FOR EDUCATIONAL SOCIOLOGY

The Centre for Educational Sociology (CES) was founded in 1972 as a research centre in the Department of Sociology at the University of Edinburgh. It is currently staffed by a Director, two researchers who hold lectureships in the Departments of Politics and of Education, six research fellows, and members of the Departments of Social Administration, of Statistics and of Economics. The computing and administrative teams comprise three members each.

The CES conducts research in the sociology, history, economics, politics, theory and practice of Scottish secondary and post-school education. Substantive areas of interest include curriculum, certification, educational attainment, inequality, school organisation and effectiveness, policy-making and administration, the relationship between knowledge and practice in government and public life, the transition from school to work or continuing education, and the employment, unemployment and training of young people.

The Scottish School Leavers Survey, conducted biennially by the CES

with the support of the Scottish Education Department (SED), provides a data base of current and retrospective information on a wide range of behaviour and practice at all levels of the Scottish secondary school system. The surveys are documented and made publicly available as the Scottish Education Data Archive (SEDA) for secondary analysis. In its program of collaborative research (1975-1982) the CES actively involved practitioners in the complete cycle of data collection, research and analysis, publishing and disseminating the findings in the Collaborative Research Newsletter.

Work in progress includes a book to be published by Edinburgh University Press on post-war educational policy-making as revealed through documentary and oral evidence; continuing analyses of the 1981 and 1983 Scottish School Leavers Surveys; a study of parents' choices in the selection of schools for their children; continuing work on the youth labour market with special attention to the current problems of unemployment and government policies for the unemployed; a study of local variations in school-leaver employment and unemployment within cities, using data from 1981 survey in conjunction with small-area statistics from the 1981 Census; studies of the demand for post-school education; and work on school self-evaluatioon. In conjunction with the Manpower Services Commission (MSC) and the SED the CES conducted a survey in 1984 (The Scottish Young Peoples Survey) to pilot questions about participation on the Youth Training Scheme. Also piloted was a change in design to incorporate a survey of young people who stay on at school.

A program of research into school effects and the effectiveness of schooling is currently in progress. The study seeks to describe and explain the differentiation between schools in their outcomes over the decade 1972-1982. Two features of the study are a focus on the multi-dimensional nature of schooling outcomes, and an attempt to explain these outcomes in terms of models which include an account of the organisational history of individual schools. The program also includes a study of trends in schooling in Scotland.

An annotated bibliography of publications is available.

Further information may be obtained from the Centre at:

7/8 Buccleuch Place
Edinburgh EH8 9LW
Scotland, United Kingdom

* * * * * *

Spalding High School, Stonegate, Spalding, Lincs PE 11 2PJ, Headmistress: Miss M.I. McClure, B.A.
In working condition, £100 or nearest offer

From *Lincolnshire Education Bulletin 209 (March 9, 1984) via Times Educational Supplement, 30 March 1984*

* * * * * *

RECENT APPOINTMENTS

. COMMONWEALTH TERTIARY EDUCATION COMMISSION (CTEC)

Mr Hugh Hudson has been appointed full-time chairman of CTEC with a term of seven years from 1 July 1984. He replaces the present Chairman, Mr H.K. Coughlan, who is now retiring. Mr Hudson, after 10 years as a professional economist, entered the South Australian Parliament in 1965. During his parliamentary career, he held a wide range of portfolios including Economic Development, Mines and Energy, Tourism, Planning and Housing. Between 1970 and 1975, he was Minister of Education and in 1979 Deputy Premier. Since then, he has been an economics consultant advising, among other clients, the Australian Education Council and the NSW Director-General of Education.

* * * * * * *

. DEPARTMENT OF EDUCATION AND YOUTH AFFAIRS

Professor Richard Johnson has been appointed Secretary to the Department of Education and Youth Affairs, following the transfer of Dr Peter Wilenski to the Public Service Board. Professor Johnson has been Professor of Classics at the Australian National University since 1962 and has been active in student and university affairs. He has served as Dean of Students, and acted in the position of Deputy Vice-Chancellor on a number of occasions. From 1975 to 1977 he was President of the Australian College of Education and is currently a Fellow of the College. He was previously Chairman of the Commonwealth Institutions Accreditation Committee for Advanced Education and is a member of the Australian Council on Awards in Advanced Education, and a founding member of the Higher Education Research and Development Society of Australasia.

* * * * * * *

. CURRICULUM DEVELOPMENT CENTRE (CDC)

The Curriculum Development Centre is being set up within the Commonwealth Schools Commission, but retains its identity and its own distinct Council. Chaired by Dr Peter Tannock, Chairman of the Commonwealth Schools Commission, the new Council comprises:

Ms L.G. Connors, a full-time member of the Commonwealth Schools Commission

Mr V.J. Davy, President of the Australian Teachers Federation and a part-time member of the Commonwealth Schools Commission

Mr J.V. Faulkner, a part-time member of the Commonwealth Schools Commission and Chairman of the Planning and Research Staff of the Catholic Education Office of Victoria

Mr D.A. Swan, a part-time member of the Commonwealth Schools Commission and the NSW Director-General of Education

Mr N.H. Campbell, the Director of Services of the Tasmanian Department of Education

Mr G.F. Berkeley, the Queensland Director-General of Education

Mr P.S. Gebhardt, Headmaster of Geelong College

Mr W. Hannan, a former teacher and publications editor for the Victorian Secondary Teachers Association and Technical Teaches Union

Professor C.E. Praeger, Professor of Mathematics at the University of Western Australia

Ms K.E. Schofield, Head of the Women's Co-ordination Unit of the NSW Department of Technical and Further Education

Mr J.R. Steinle, South Australian Direcctor-General of Education

Ms L. Trimper, Principal of the Elizabeth West Primary School in South Australia

Ms H. Williams, Acting Secretary of the Department of Education and Youth Affairs.

* * * * * *

> As I have already urged, the practice of that which is ethically best - what we call goodness or virtue - involves a course of conduct which, in all respects, is opposed to that which leads to success in the cosmic struggle for existence. In place of ruthless self-assertion it demands self-restraint; in place of thrusting aside, or treading down, all competitors, it requires that the individual shall not merely respect, but shall help his fellows; its influence is directed, not so much to the survival of the fittest, as to the fitting of as many as possible to survive.
>
> T.H. Huxley
> Evolution and Ethics, 1893

CONFERENCES

. XXth INTERNATIONAL CFR (COMMITTEE ON FAMILY RESEARCH) SEMINAR ON SOCIAL CHANGE AND FAMILY POLICIES: MELBOURNE, 19-24 AUGUST 1984

This Seminar, hosted by the Institute of Family Studies, will consider the issues involved in social change from two perspectives: the significance of wider change for policies affecting family life and the actual impact policies currently have on families of different kinds. The sessions cover a range of topics including major demographic trends; youth policies and the family/work/education relationship; work, economic policies and welfare; consequences and responsibilities.

Further information may be obtained from:

Secretariat
XXth International CFR Seminar
Institute of Family Studies
766 Elizabeth Street
Melbourne, Victoria 3000

* * * * * *

. SOUTH PACIFIC ASSOCIATION FOR TEACHER EDUCATION (SPATE) 1984 CONFERENCE: CANBERRA COLLEGE OF ADVANCED EDUCATION, 18-22 JULY 1984

The overall theme of this Conference is **Teacher Education, Further Education and the Schools: The Challenge of Experience.** Sub-themes deal with the various levels of education (early childhood, primary, secondary and TAFE). Other topics will include teacher education; Aboriginal education; multicultural education; the participation of girls and women in education; religious education; development education/regional issues; technology and education.

Overseas speakers to the Conference include Dr Carol Weiss (USA), Dr Helen Simons (London), Professor Denis Lawson (London) and Dr Barry MacDonald (East Anglia).

Further information may be obtained from:

Jan Pettman
Conference Organiser
Canberra CAE
P.O. Box 1
Belconnen, A.C.T. 2616 Tel: [062] 52 2737

* * * * * *

. AUSTRALIAN PSYCHOLOGICAL SOCIETY 19th ANNUAL CONFERENCE: UNIVERSITY OF WESTERN AUSTRALIA, 12-17 AUGUST 1984

The theme of this Conference is **Psychology and Youth**, and papers will cover areas such as Employment, Adolescent Development, The Family, Handicap.

Further information may be obtained from:

APS Congress Secretariat
Motive Conventions
P.O. Box 40
West Perth, W.A. 6005 Tel: [09] 322 3588

* * * * * *

. THE SECOND NATIONAL EVALUATION CONFEENCE: UNIVERSITY OF MELBOURNE, 26-27 JULY 1984

This Conference is being prepared following the success of the first Conference in August 1982. The Conference will be opened by the Victorian Treasurer, Mr Robert Jolly, MLC and a number of interationally recognised overseas persons will attend to present their ideas:

- Professor Rosemary Sari, from the School of Social Work, University of Michigan
- Professor Denis Lawton, Director of the Institute of Education, University of London
- Dr Bob Brinkerhoff, Associate Director for Training, The Evaluation Centre, Western Michigan University
- Dr Carol Weiss, Senior Research Associate and Senior Lecturer, Graduate School of Education, Harvard University

The Program will include papers on a wide variety of important topics such as:

- evaluation of training/education programs
- the utilisation of evaluation, especially as applied in Government
- evaluation in Youth or Welfare services, and in programs for the training or rehabilitation of disabled persons

There will also be a general forum for comments from the participants as well as from other noted speakers, such as Professor Michael Scriven.

Further information may be obtained from:

The Conference Secretary, National Evaluation Conference
Evaluation Training and Services Australia Pty Ltd
15 Crest Avenue
Balwyn, Victoria 3103

* * * * * *

* **ASPECTS**

ABORIGINAL YOUTH ISSUES*

*by Bill Hoyles***

Background

Between 1979 and 1982 the Aboriginal Training and Cultural Institute conducted a training program for Aboriginal youth workers selected by Aboriginal communities throughout the country.[1] This program was funded by the Bernard Van Leer Foundation of Holland. Funding was not forthcoming from the Federal Government because (a) there was difficulty in deciding which department should process the funding submission (since bureaucrats could not decide whether the program was 'Education', 'Youth', 'Employment' or 'Aborigines'); (b) there was no provision for innovation within the strict guidelines of Government schemes operating at that time (for example, there were no job vacancies for Aboriginal youth workers, and therefore no funds could be allocated under NEAT because full-time employment could not be guaranteed upon completion of the course). Despite funding limitations, the scheme reached 129 trainees from 41 communities during its period of operation - and was evaluated both by the Aboriginal participants and by an independent evaluator (Professor Charles Rowley) as being extremely successful.

As one important component of the training process, the youth workers were asked to provide their perception of the needs of their young people. This is not to say that these were necessarily the needs which the youth themselves might have expressed - but in Aboriginal society it has long been the principle that community adults (especially elders and parents) have a responsibility to determine the needs of their young people. These youth workers came from a variety of community backgrounds, which can be broadly grouped into traditional, rural and urban. Each group identified issues which were peculiar to the youth of their communities, and some which were shared with other groups.

Traditional Communities

The major issues raised were in the fields of education, health, social welfare and post-school activity.

In the field of education, there was a concern that non-Aboriginal schools were trying to take over too much of the responsibility which parents and elders once had for education of the youth. The resultant decline in Aboriginal language use, loss of respect for older people and movement away from Aboriginal heritage were giving cause for concern.

---

* *The writer wishes to acknowledge the help given by Margaret Valadian and Jenny Beale in commenting on drafts of this paper.*

** *Youth Program Co-ordinator Aboriginal Training and Cultural Institute (14 Jane Street, Balmain, NSW).*

Genuine initiatives towards bilingual education and the employment of Aboriginal teacher aides were welcomed, especially when these were accompanied by the involvement of community members in the management and operation of the school.

With regard to health there was a concern that youth were becoming less healthy owing to changes in diet (i.e. 'not enough bush tucker') and lack of exercise.[2] Some communities had 'recreation officers' who were ostensibly proposing 'sports' as a panacea for youth problems; however some communities saw greater value in traditional activities, particularly hunting, fishing and bush food gathering.

Related to this general health area were major concerns about social welfare issues - specifically alcohol abuse and petrol sniffing. These were largely perceived by the communities as problems, because of the anti-social behaviour associated with these activities - as distinct from the health problems which they might be causing. Thus the communities' emphasis was on the vandalism, stealing and violence which accompanied drinking and sniffing bouts, rather than on the long term physical injury to the individual users (that is, brain, liver and kidney damage).[3]

Finally there was concern at the lack of post-school direction. This issue is distinct from concern about unemployment - since unemployed young people in these communities are not stigmatised as dole bludgers as they often are in non-Aboriginal society. Rather the issue was that of young people having nothing worthwhile to occupy their time - whether this be jobs, community or family activities, 'further education' (traditional or non-Aboriginal), etc.

These then were the major youth issues as perceived by traditional communities.[4]

Rural Communities

The social welfare problems of alcohol abuse and petrol sniffing - and the inadequacy of the education system were also found in rural communities, as were major issues of unemployment, racism, crime and punishment, and land rights.

Unemployment must be seen as the key issue affecting rural Aboriginal youth. It seems remarkable that the community at large can bemoan a 10 per cent unemployment rate when many rural Aboriginal youth face an unemployment rate of 90 per cent.[5] This was dramatically illustrated when overseas visitors to the Aboriginal Training and Cultural Institute (ATCI) asked a rural Aboriginal youth worker about the unemployment rate for school leavers in his community. With some pride the worker recounted a new initiative which had dramatically lowered the unemployment rate and was being acclaimed as a success by community members. When asked how much it had dropped, they were astonished to hear that it was now down to 'only 60 per cent'. They remarked that in their travels to many countries throughout the world, they had never before met a group in any developed country which had claimed 60 per cent unemployment as a success!

One cause of unemployment is the issue of racism. Three specific manifestations of racism recur in discussions: discrimination in employment (especially at the job application/interview stages), racism in schools (in both teacher/pupil and pupil/pupil interaction) and police harassment. Indeed one has only to consider the high rate of youth

unemployment, high truancy and school drop out rates and high arrest rates to realise that discrimination is rife.

Furthermore, there is concern about crime and punishment. Common crimes include stealing,assault, drug abuse, serious alarm and affront and resisting arrest. Of particular concern is the incarceration of young people in institutions distant from their home communities. Initiatives such as Aboriginal youth houses and hostels for young offenders (providing a therapeutic environment for young offenders, sited in communities and with appropriate Aboriginal staffing) were seen as one viable alternative.

As well as grabbing the media headlines, land rights remain a genuine concern in rural communities. It is strongly felt that the future for the youth rests on the granting of land rights - in providing an appropriate economic base for future development.

Urban Communities

The issues of unemployment, racism, alcohol abuse and land rights obviously concern urban youth to the same extent as their rural cousins. However, because of the greater access to further education, and their closer proximity to the seats of government, many urban Aboriginal youth workers tend to see these problems in a macro perspective and see the real issue as politics and a reaffirmation of identity.

There can be little doubt that many urban Aboriginal youth workers are active in politics. They have identified the major issues facing their people and have considered the processes which will cause politicians to take note of their demands. The establishment of various Aboriginal welfare, legal, housing and medical organisations in urban centres is a manifestation of this urban political awareness, and provides role models for the youth of the area.

There is a growing belief that overt protest is a useful vehicle to effect change and reaffirm their Aboriginal identity. Such actions as the Commonwealth Games demonstrations in Brisbane and the various land rights demonstrations involved Aboriginal youth in the process of political protest, and served to reaffirm their identity as Aboriginal people.

General Issues

In addition to these specific issues, Aboriginal people have identified general concerns about the future for their youth. It is difficult not to ask where they are heading, and what the future for Aboriginal youth will be. Certainly the present knee jerk reaction to individual problem areas is less than encouraging - all that 'knee jerks' tend to result in are sore knees! Nor does the ongoing search for a national youth policy hold out much hope - since traditionally any involvement of Aboriginal youth in policy formation has generally been confined to the token inclusion of a couple of Aboriginal youth in a national conference. The silent majority of youth in rural and traditional community situations are rarely able to participate meaningfully in youth policy formation.

Compounding this problem is the lack of Aboriginal youth workers trained and equipped to support their young people in dealing with these issues. Some traditional communities do have non-Aboriginal recreation officers (often with Aboriginal assistants) who attempt to improve

sporting facilities; some country towns have non-Aboriginal youth workers or Community Youth Support Scheme (CYSS) officers (occasionally with Aboriginal assistants) who make genuine attempts to involve Aboriginal youth in worthwhile activities; and some urban communities have Aboriginal managed and directed youth initiatives. However the reality for most Aboriginal youth is that their youth workers (if they have any) are mostly unpaid, untrained and unqualified. Who then is motivating Aboriginal youth to improve their lot - and whom can they use as their role models for the future?

Furthermore, the current training provision for Aboriginal youth workers is totally inadequate. There are, in existence, full-time academic courses for youth workers generally, and special provision has been made for entrance by Aboriginal people. However, the siting of duration of the courses, the complexity of the prospectus, and the academic standard required for satisfactory completion of the assignments is such as to largely discourage large scale Aboriginal enrolment. Alternatives, such as the short intensive workshops conducted by ATCI, have been shown to be successful at a non-formal level - but remain unfunded by the Government. Some in-service training by non-Aboriginal recreation officers has been attempted, but the results have not been encouraging. The role of distance education has yet to be determined, but may provide an attractive (and cheap!) alternative for isolated communities.

Conclusion

Talking with Aboriginal youth workers, it is difficult not to become pessimistic about the present. Yet the doom and gloom which pervades this article should be seen in the context of a tremendous pride which Aboriginal people have in their heritage. Furthermore there is a sense of security gained from the kinship system which, if nothing else, provides some stability in the messy world which has been created around them.

REFERENCES

1. A report on this Aboriginal Youth Worker Training Program is to be published shortly.

2. A general report on the health situation of some traditional communities is the N.T. Department of Health (1979) 'An Environmental Survey of Aboriginal Communities: 1977-1978'.

3. See EASTWELL, H.D. (September 1979) 'Petrol Inhalation in Aboriginal Towns'. Medical Journal of Australia, Vol. 2, pp.221-24; MORICE, R., H. SWIFT and M. BRADY (1981) 'Petrol Sniffing among Aboriginal Australians: A Resource Manual'. Australian Foundation on Alcoholism and Drug Dependence: and N.T. Department of Health (1982) 'Discussions on Petrol Sniffing'.

4. One of the few research studies to focus on youth needs in both traditional and isolated rural situations is Australian Frontier Trust Inc.'s (1979) 'Survey of Youth Needs', N.T. Department of Youth, Sport and Recreation.

5. News release 66/84 from the Federal Minister for Employment and Industrial Relations dated 27/3/84 confirms the figure as being as high as 90 per cent.

6. See EWEN, J. (1981) 'The Education and Training of Youth Workers in Australia', Office of Youth Affairs, pp.118-19.

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THE WORK RESOURCES CENTRE, CANBERRA, ACT

*by Gail Lewis**

Origins

The Work Resources Centre provides an interesting case study as a community response to unemployment. It was established in 1980 by a number of people in Canberra who shared a common concern about the effects of continuing high levels of unemployment. The premises upon which the Centre was set up were:

- that while the causes of unemployment were national and international in dimension, approaches to dealing with the consequences would have to be found within each community affected
- that concerned members of the employed sector of the labour force could and should make some contribution to assisting those who were out of work
- that educational and research institutions, well represented in Canberra, had access to resources, information and facilities which could be used to assist unemployed people directly.

It was also felt that the Centre could provide a stimulus for Canberra's academic community to investigate, and seek solutions for, problems associated with unemployment and present structures of work.

Funding

The Work Resources Centre (WRC) was set up in late 1980, in premises at the Australian National University, near the city centre. Its funding source consisted of fortnightly contributions from interested staff

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members of the ANU and the Royal Military College, Duntroon. Its first positive achievement was the provision of paid jobs which had not previously existed and which would not otherwise exist. In its first three years of operation, during which it survived entirely on these individual contributions, the WRC provided work for 8 people over varying lengths of time.

Over the last few years, it has frequently been suggested that Australia could reduce unemployment levels substantially if workers agreed to share a fraction of their hours of work and wages with those who have neither. Over two hundred people in Canberra are doing just that: contributing a small portion of their wages to provide employment for someone at the Work Resources Centre. Despite the smallness of scale this demonstrates the viability of the concept.

Another option currently being investigated by some of the WRCs academic members is fractional full-time work involving a voluntary reduction of hours of employment and an associated reduction in wages. This offers the double benefits of increased free time for the worker to pursue other interests and the opening up of employment opportunities for younger researchers in the shrinking job market within universities. These ideas are not unique. What is of interest is the practical action being taken to try them out and make them work.

Operating Structure and Management

One of the Work Resources Centre's greatest strengths is the supportiveness of its members. Over two-thirds of members are general staff of the University, indicating that there is broad community support and not solely academic interest. Indeed, the question is sometimes asked why the academic representation among members is not higher than it is.

For the people employed at the Centre, it is satisfying to be actively involved in job creation, training and other forms of assistance to unemployed people. The employees are the ones who initiate and develop projects and co-ordinate activities. An elected Board comprising nine financial members is the organisation's formal body of control. The financial members, while not involved with the Centre on a day-to-day basis, form a supportive network on the ANU campus and elsewhere in Canberra, providing the Centre with useful links to resources and information.

The relationship between members and workers at the Centre appears to be mutually satisfactory. A regular newsletter is circulated to all members and interested institutions. Help is willingly given by members when requested yet there is no pressure on them to become more involved than they wish.

Activities

What does the Work Resources Centre actually do? This is difficult to define precisely because the Work Resources Centre is really a name to describe a constantly changing range of activities all originating as responses to perceived needs. For the most part the organisation has kept a fairly low public profile. It has traditionally been a support centre for other groups, initially because this was all it could afford to do and subsequently because the resources, facilities, expertise and imagination which accrued to the Centre have become a significant part of the ACT scene.

In 1983, the WRC received funding for specific projects under the Wage Pause Employment Program. Under Wage Pause, a Development Officer was employed, the CompuSkills job creation and word-processing training program was set up and the WRC library was catalogued and expanded. Although the scope of its activities has widened, the Centre maintains some distinctive characteristics such as a relaxed but purposeful atmosphere, genuine interest in the concerns of those who use the resources, a facilitative approach to the difficulties of other groups and an enthusiasm for new initiatives in approaching the problem of unemployment.

Developing new initiatives under job creation programs is the stock-in-trade of the WRC Development Officer, Yvonne Burmann. Originally employed to help groups funded under the Wage Pause, she has spent much of her time, since the Community Employment Program (CEP) began, assisting people with their CEP submissions, working on the ideas and approach and then ironing out practical problems and constructing a realistic budget.

This has led to other activities such as campaigning for more community space in Canberra in which to locate new or expanding projects, running workshops on topics such as Incorporation Procedures and Communication and Leadership Skills in Community Groups, putting individuals and groups with common interests in touch with one another, and investigating alternative sources of funding for community groups. Continuity of funding is becoming an increasingly important issue to such groups. Organisations or projects established under Wage Pause or CEP which wish to build on their achievements of the first year and keep on the team members who made it successful are forced to cast around anxiously for other sources of money to continue after their limited Wage Pause or CEP grant ends, or to suffer the tensions and disappointment associated with the loss of valued expertise and committed employees. In Canberra, for instance, the 1984/85 applications to the Community Development Fund include a great many submissions to continue projects begun under Wage Pause. Working relationships within community groups are increasingly being affected by the prospect of imminent unemployment experienced by all individuals nearing the end of their employment under government employment programs. This raises important questions about what measures are planned to deal with the aftermath of such programs, for the individuals employed and the organisations they work in.

Non-institutional Training - CompuSkills

It is not possible to mention every activity of the WRC. The CompuSkills program, however, is worth describing in some detail as it has been a successful experiment in non-institutional training which reflects the interest of staff at the Work Resources Centre in finding new approaches to education and entry to work. CompuSkills was specially designed to meet the needs of young unemployed work-seekers.

The approach consists of short-duration, intensive skills training (three weeks) followed by a three-month period allocated to practising and gaining proficiency in the new skills, combined with the opportunity to earn some income while learning. CompuSkills teaches young people who have been out of work for over four months to use micro-computers for word-processing, provides work for them to do while training and the equipment on which to do it. Paul Williams, the CompuSkills manager, co-ordinates the instruction given by volunteer teachers and finds paying contracts for the trainees to carry out. The money paid for each contract

goes directly as wages to the trainee who typed it, without any deduction for overheads as these are covered by the Centre. Experience to date has shown that most of the trainees develop a readiness to compete for word-processing positions in the job market between six and twelve weeks after starting the course.

The CompuSkills approach is attractive to young people because it is non-threatening, relevant and up-to-date (computing is a growing area of employment) and it works. This is significant because, given Australia's present low school retention rate and high youth unemployment, attractive and effective non-institutional training programs could provide a significant alternative means of assisting young people into work. Referring in the Senate (14/12/83) to the Participation and Equity Program, Senator Susan Ryan, Minister for Education and Youth Affairs recognised this, stating, 'The Government expects that non-institutional initiatives will be taken under the program, particularly for the benefit of young people who would otherwise be unlikely to participate in education or training'.

While much attention is currently focused on increasing school retention and improving the relevance of schooling to after-school experience, there is convincing evidence that schools are unlikely to be perceived by pupils as places where they can meet their expressed desires to be out working and to have an education which will virtually guarantee returns of a well-paid, secure, full-time job (see Susan King's critical discussion of Federal Policy Relating to School Retention in Australia, in Youth Studies Bulletin, Vol.3, No.1, February 1984).

Programs such as CompuSkills which are skills-based, of relatively short duration and which provide individuals with earned income and a relevant, marketable capability are far more likely to appeal to young people than the prospect of going back to school. Most will enter such programs after leaving school and following a period of unemployment. There will therefore be a continuing need for non-institutional 'safety-nets' like this to catch those who leave school early or for other reasons slip through the fingers of further education, work and formal on-the-job training, down into the pool of long-term discouraged job-seekers. It has been our experience with CompuSkills that such programs have the potential to be far more than 'safety-nets'. Indeed, non-institutional educational organisations like the Work Resources Centre are ideally placed to develop and test innovative training and work structures which could subsequently be introduced into the wider employment context on the basis of their success.

Networks

As anticipated in the WRC's early days, the links with educational institutions have been very valuable in carrying out the Centre's work. One example is the recent re-organisation of the WRC's collection of materials on unemployment-related topics. Several members who work in the ANU libraries have given advice on classification systems and shelf arrangement, lent cataloguing reference volumes and supplied details of where to obtain specific information requested by users of the WRC library.

Similarly for CompuSkills, the volunteer teachers were a lecturer in Computing from Woden TAFE and an ANU economist who is a micro-computer enthusiast. Eye-tests for trainees, to detect any eyesight difficulties

which could be aggravated by working at a VDU, were arranged through the ANU Community Affairs Unit and the Health Centre. Work experience sessions were conducted in various parts of the University to give trainees exposure to different computer equipment and word-processing systems. An unexpected development was a request from the ANU Personnel Department to refer any word-processor operators seeking work. A good working relationship developed out of their need for trained word-processor operators to be available at short notice for relief work and the trainees' interest in gaining paid experience in 'real' job situations. For individuals who had been out of the formal environment of school or work for a year or more, these limited periods of full-time work (two or three weeks at a time) eased the transition from unemployment-induced leisure to the demands of the full-time working week.

Meeting the Needs of the Long-term Unemployed

Through our initial contact with the trainees, it became apparent that the long-term unemployed have other needs than just 'to have a job'. Lack of confidence, unpunctuality, confusion and fear of failure were qualities apparent in most of those interviewed for positions in the CompuSkills program. At their 'graduation lunch', the first group of six trainees mentioned the aspects they felt had been useful in overcoming these difficulties: being part of a small group with which they could identify, help from one another, the lack of pressure, the freedom to learn at their own pace and the informal environment where help was usually available when needed. Most interesting as a factor in setting them at ease was the fact that the people working at the Centre seemed to be learning about the computers too and were not **experts.** The WRC has submitted an application to CEP to extend CompuSkills which will this time provide six-monthly positions, incorporating office and clerical experience and a personal development component to help meet the trainees' additional needs.

The Future

The Work Resources Centre has an uncertain future. The payroll deduction scheme is still operating but present membership levels make it possible to maintain only one half-time position. The Centre will continue although its range of activities may fluctuate depending on the availability of funds. It is hoped that more people will become members and support the Centre as a successful community initiative. Small and large business concerns in Canberra offer concessions to the unemployed. If individual salary and wage-earners - public servants, college staff, tradespeople, office and shop workers - make a like commitment to assisting the unemployed by contributing one or two dollars a week to the Work Resources Centre, it would be possible to generate many programs providing direct and lasting aid to unemployed people, programs such as CompuSkills and Have a Go!, a guide to small-scale income generating projects for young unemployed people (see Section D, Youth Studies Abstracts, Vol.3, No.2, May 1984).

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* LOOKING AT OTHER COUNTRIES. NO. 5: WEST GERMANY

TRAINING PROGRAMS FOR SCHOOL LEAVERS IN WEST GERMANY*

*by Friedrich Fürstenberg***

There are some groups of young people who cannot be integrated into labour markets in the normal ways. Owing mainly to demographic structures, there are in West Germany increasing numbers of drop-outs from primary schools and other disadvantaged persons who are handicapped in entering apprenticeships: of secondary school graduates not intending to proceed with higher education, and of persons whose qualification, after having completed in-plant training (apprenticeship), has become obsolete. The situation of course is aggravated by the present depression. In this paper, however, we shall not consider employment measures but rather measures aiming at providing qualification needed to enter the labour market sucessfully. In West Germany, the standard prerequisite is the completion of apprenticeship or, in the case of secondary school graduates, the completion of professional studies.

Disadvantaged Youth and Drop-Outs

A number of measures are directed at these groups of young people.

. Extension of School Attendance and Preparatory Courses

Initially, a so-called 'Berufsgrundbildungsjahr' (BGJ; that is, one year of in-school fundamental vocational training) was provided for disadvantaged youth in 1971/72, offering the chance for getting the graduation certificate normally provided at the end of compulsory school attendance. It was considered a special incentive, that this year is considered as an equivalent to the attendance at compulsory vocational school (one day a week during apprenticeship) and that (theoretically) apprenticeship would be shortened by one year. The main contents of this 'Berufsgrundbildungsjahr' is a rather general vocational training in one of 13 basic occupational areas, thus introducing the young persons gradually into the world of work. Attendance increased from 4,000 (1971) to 99,000 (1983). Nevertheless, this practice is evaluated rather critically. It is difficult to train efficiently a rather heterogeneous group of thus far unsuccessful school attendants, and the firms are very reluctant to shorten apprenticeship for this group. In practice, applicants for apprenticeship from this group often do not refer to participation in the BGJ. Moreover, in a period of youth unemployment, this institution increasingly serves as a kind of 'parking place' for those unsuccessful in finding other means of training. Some regional

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governments, for example, North Rhine-Westphalia, have established special types of this BGJ which are then called 'Berufsvorbereitungsjahr' (one year of preparation for entering employment).

Since 1969, the Bundesanstalt für Arbeit (Federal Agency for Labour) is financing special measures for training for employment:

- courses with elementary vocational training (G-courses)
- promotion courses for school leavers with socialisation deficits (F-courses)
- courses for improving chances for integration into the labour market (V-courses).

Out of these measures, G-courses are not numerous, serving mainly as 'drip-pans' for dropouts and graduates from F- and V-courses. Bodies responsible for such measures are regional and communal authorities, economic institutions and associations as well as individual firms.

F-courses serve as starting aids for young persons. They last one year and are designed to stimulate both social and intellectual abilities and provide the general knowledge necessary for occupational orientation. Thus, these courses do not primarily aim at training but rather at education, though between 20 and 40 hours per week may be devoted to some craft activities. More important, however, is the internalisation of work ethics.

V-courses are organised for handicapped and disadvantaged leavers of compulsory schools. They last between one and two years and should qualify for either regular or - in case of handicaps - government-promoted employment.

The attendance at such courses is diminishing, due to the already mentioned establishment of in-school-employment preparation. According to Biermann-Berlin (1980, p.263), only one-third of the attendants are successful in starting vocational training after completing such a course.

. Model Projects for Improving Vocational and Employment Training

Since 1978 the Bundesanstalt für Arbeit (Federal Agency for Labour) has been promoting model projects for improving the vocational training of disadvantaged youth. The results have been integrated into a program, established by the Federal Minister of Education and Science on 1 June, 1980. In 1980, eight model projects were operating with different bodies responsible:

- two model projects initiated by churches, for young persons with socialisation deficits and learning problems, aimed at integrating them into normal training groups
- two model projects operated by independent welfare organisations, one concentrating upon alcoholics and drug addicts
- two model projects by communal authorities (Berlin and Ruesselsheim/Opel)
- a model project by the Deutscher Handwerkskammertag (Federal Chamber of Handicrafts), the so-called Nuernberger Modell, designed for young persons with learning problems or without training (apprenticeship) contracts

. the model Project JUBA initiated by the Philips GmbH in Wetzlar, offering pre-vocational training to young persons who owing to their personality characteristics cannot enter apprenticeship.

All these models are marked by a combination of vocational instruction with socio-pedagogical assistance, aimed at stimulating occupational motivation.

The 'Nuernberger Modell', operating since 1977, consists of two phases. Within a preparatory phase of one or two years, a one-year promotion course with practical training together with practical courses within firms and additional instruction for special problem groups is given. After this period, vocational training proper starts. During the whole period, counselling and assistance are given to the attendants and their parents.

The JUBA-project was started for young girls without jobs. The respective firm offered half-time employment at a wage rate markedly above public assistance payments. This was the economic basis. The training offered consisted of a general, supportive instruction, based upon the principles of the Waldorf-pedagogics (Rudolf Steiner), and the normal vocational instruction. Since their establishment up to 1981, about 500 young persons have participated in such model projects.

. Program for Improving Vocational Training for Disadvantaged Youth by the Federal Minister of Education and Science

This program, already mentioned, is aimed at young foreigners, school leavers without graduation certificates, leavers from schools for children with learning problems and socially disadvantaged persons such as drug addicts, ex-convicts and persons with behavioural disorder. The program for financially promoting relevant activities comprises allowances (including social benefits) during the attendance of out-of-firm training programs, costs for teaching and assistance staff and administration costs. The fundamental prerequisite is the existence of a training contract.

The special measures to be promoted include out-of-plant training phases up to one year and - in the case of not attaining a job after training - continuing vocational training in an out-of-plant institution. A main feature should be a comprehensive socio-pedagogical assistance covering the whole training period. It should promote achievement, motivation, self-confidence, competence for responsible social action and should stimulate leisure-time activities.

In 1982/83, about 6,000 young persons participated in such programs, organised by about 200 different responsible bodies. Of major importance in this context is the 'Christliches Jugenddorfwerk Deutschlands e.V' giving more than 2,000 young persons such training in more than 100 establishments, so-called 'youth villages'.

. Other Measures and Initiatives

There are numerous local and regional initiatives to help young people without normal chances to get vocational training. In West-Berlin, the project 'Kreuzwerk', promoted by the senate of this city, organises the training of socially disadvantaged youth in 60 small firms of the

building trade. Since 1981 the 'Arbeitskreis zür Verminderung der Jugendarbeitslosigkeit e.V' (Working Group for the Reduction of Youth Unemployment) in Muehlheim/Ruhr, in association with the local labour exchange, is aiding young persons; e.g. by giving information, helping to formulate applications, establishing sponsorships during the search for a job. A similar concept is guiding the 'Modellberatungsstelle für arbeitslose und von Arbeitslosigkeit bedrohte Jugendliche in Paderborn' (Model counselling office for young persons threatened by unemployment or being out of work).

Secondary School Graduates Seeking Employment

Within the last decades in West German society, persons having successfully completed secondary schools, tended to continue their education at universities. This trend is now reversing. For 1984 it is estimated that about 65,000-69,000 secondary school graduates will be seeking vocational training instead of starting university studies, thus competing with lower-level school leavers. On the other hand, it is estimated that out of this group about 30 per cent, after completion of apprenticeship in selected fields (e.g. banking), will nevertheless start studying. In view of this development, initiatives have been taken to provide special training for this target group, thereby creating new careers and career entrances.

In 1972, the Daimler-Benz AG in Stuttgart established a special form of in-firm training for secondary school graduates. Based upon this experience, the regional government of Baden-Wuerttemberg started a model 'Berufsakademie' (vocational academy). In 1982/83 about 3,800 students were trained within this framework in about 1,500 public and private enterprises. Main courses are given in social welfare, business administration and engineering. Similar to this initiative, in the region of Schleswig-Holstein 'Berufsakademien' have been established, now attended by about 350 graduates in about 100 enterprises. The main feature is a combined training and study period, consisting of six study semesters accompanied by extensive in-plant-training.

This survey shows a remarkable variety of attempts to help juvenile problem groups to find access to the labour market, which in West German society is equivalent either to completing apprenticeship or to graduating from special institutions of higher learning. However, the survey also shows that the quantitative impact of such initiatives and activities is rather modest. Most examples practised show the traits of 'models' covering only small groups. Against this background, the general political guideline may be appreciated, which concentrates upon providing as many apprenticeship and study places as possible, and, besides, is fostering a gradual integration of the traditionally dualistic system to prepare for employment.

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* POLICIES, PROVISIONS AND PARTICIPATION

ABORIGINAL AND TORRES STRAIT ISLANDER SECONDARY EDUCATION AND THE PARTICIPATION AND EQUITY PROGRAM*

*by Paul Hughes** assisted by Frances Bray*

In its Funding Guidelines to the Commonwealth Education Commissions for 1984, the Government requested that the Commonwealth Schools Commission give special consideration to measures that might be taken within existing programs or through new initiatives to improve the educational outcomes for Aboriginal children. The Commission has established a Working Party on Aboriginal and Torres Strait Islander education which is examining means of orienting existing programs (including the Participation and Equity Program) to Aboriginal needs and considering the need for new programs.

In its Guidelines for the school-level segment of PEP the Commission identifies the following areas for priority action:

- curriculum development
- assessment, accreditation and credentialling
- teacher/student/parent interaction
- school structure and organisation
- post-school links
- groups with particular needs
- public support for education
- national level projects.

These priority areas coincide to a significant degree with the priorities of the National Aboriginal Education Committee (NAEC) for essential changes required to ensure that secondary education meets the needs of Aboriginal students. Therefore the NAEC has high expectations of PEP. Until the 1970s, the majority of Aboriginal people have been denied secondary education. Some young people today still do not have access to secondary schooling. NAEC places high priority on access to full secondary education for those students, particularly in isolated communities, for whom secondary education is not available, and for those whose access is limited to junior secondary programs only.

For those Aboriginal students attending secondary schools, the retention rates (10 per cent nationally) and the rates of success are unacceptably low. Much of the responsibility for this situation lies with inappropriate curriculum and school organisation and failure to sufficiently involve Aboriginal people in educational decision-making. Substantial and positive changes to secondary education must therefore be

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* References in this article to Aborigines are intended to include Aborigines and Torres Strait Islanders

** Chairman, National Aboriginal Education Committee) [see **QUIDNUNC** in this issue]

made. Secondary education must be relevant to Aboriginal student needs and must ensure opportunities for achievement in Aboriginal and Torres Strait Islander society and in the general community. Secondary education must also develop pride in Aboriginal identity and understanding ;and appreciation of Aboriginal society; it must encourage self-confidence and personal autonomy and offer opportunities for competence and achievement in intellectual, academic and technical skills. It should prepare Aboriginal students to participate in Aboriginal self-determination and economic self-sufficiency, to enter the general workforce, to proceed to further education and effectively use leisure time.

New Aboriginal education programs are needed to provide funds for Aboriginal Studies and Language programs for Aboriginal students. NAEC does not see the PEP as providing the major source of funds for such programs although it may be able to provide for related activities. The NAEC recommends that a distinct Aboriginal program category should be developed as part of the national PEP program. PEP for Aboriginal students should seek to enhance their sense of personal worth as Aboriginal people and as members of the general community by the inclusion of activities, materials and content which are directly related to the interests and priorities of Aboriginal students, parents and communities. A distinct program category will encourage each State/Territory, region and school to develop programs which meet the differing needs of Aboriginal students. In recommending the development of a distinct program category, the NAEC wishes to encourage the development of strategies which change the mainstream curriculum by developing an Aboriginal perspective within the curriculum. It would view with concern the development of programs which are isolated from and do not substantially alter the mainstream curriculum offered for Aboriginal students.

The NAEC expects that Aboriginal parents, local Aboriginal education consultative groups or other Aboriginal community groups will have a major voice in the development of proposals and in the operation of programs. At the State/Territory level, we recommend that State Aboriginal Education Consultative Groups (AECG) should be involved in advising the State PEP Committees on the development of State/Territory-wide PEP initiatives and on individual school submissions. At national level, the Chairman of the NAEC is represented on the Commonwealth Schools Commission's National PEP Committee.

The NAEC has many ideas on the sorts of activities which PEP might encourage and we would like to describe some of these now. However, we would like to point out that there is such diversity amongst Aboriginal communities, that the individual situation of each community should be taken into account in the planning of programs at school, regional level and State/Territory levels. Using the PEP priorities as a guide, we have detailed several suggestions which schools may wish to consider in consultation with Aboriginal communities.

Curriculum

. Preparation for further study, employment, community work: this might involve the development of units, processes and materials for special vocational guidance and careers advice with emphasis on organisational and technological skills and work experience relevant to Aboriginal

organisations and related services. Aboriginal organisations, development projects and government services for Aboriginal communities include a wide range of occupations and training opportunities, including many unique to Aboriginal communities. Aboriginal students will benefit greatly if schools can use these projects and services as the focus for a whole range of activities and learning experiences. The following proposal from a school in New South Wales illustrates this approach:

> Students will be involved in doing a survey and developing resources on the theme of Aboriginal people at work, including profiles of local Aboriginal people in employment. They will visit Aboriginal communities with functioning projects accompanied by local Aboriginal community representatives and will spend a half day per week working with them in community based projects. They will also be involved in a course developed around community-based employment creating schemes; e.g. housing, farming, mechanical workshops and crafts with sessions conducted by Aboriginal people. Seminars involving Aboriginal people will be conducted to plan all activities.

. Personal development: Within personal development and living skills programs, special content must be provided for Aboriginal students. It should be culturally appropriate and encourage pride in Aboriginality. Confidence building is also an important aspect.

Special motivation camps for Aboriginal students to assist in personal development have been organised by parents, AECGs and groups of schools. Aboriginal Studies and discussions with Aboriginal people about their experiences form a significant part of motivation camp activities. Other schools invite Aboriginal speakers to participate in personal development programs on a regular basis to provide appropriate role models for Aboriginal students.

. Social studies: Many existing social studies courses neglect study of issues which are most important for Aboriginal students. As adults they will experience racial prejudice and discrimination in employment, in locating accommodation and in many other aspects of their lives. Schools have a responsibility to teach students their rights and to provide knowledge of and practice in strategies to help young people deal with racial discrimination. Course components, materials and teaching methods should be developed with focus on human rights, community and race relations, anti-discrimination laws, and equal employment opportunity services where these exist.

In the development of curriculum approaches and materials we would like to see schools experimenting more with culturally appropriate teaching strategies. These include active, participatory teaching methods with emphasis on group rather than individual achievement.

Assessment and Accreditation

There are several aspects of assessment and accreditation which have a significant adverse impact on Aboriginal students. PEP funds should be used to introduce change to particular areas where Aboriginal students are particularly disadvantaged.

. Non-accredited post-primary classes: In some Aboriginal communities in Queensland, Northern Territory and Western Australia, non-accredited schooling is provided for secondary-age students. Many of these programs are severely modified and do not enable students to achieve the usual school-level qualifications. This severely limits their post-school opportunities. Urgent efforts should be made to upgrade project classes, post-secondary classes and the curricula offered by Yirara and Kormilda Colleges.

. Low ability classes: In those States/Territories where secondary classes are streamed, Aboriginal students are over-represented in low ability classes. This has occurred because teachers have misinterpreted the differing cultural background of the students and have applied inappropriate teaching methods. The forms of testing and educational diagnosis used in schools are culturally and linguistically inappropriate for Aboriginal students, and should be investigated.

Teacher/student/parent Interaction

Aboriginal community involvement in education decision-making is a fundamental principle of the NAEC's philosophy. All programs developed for our students under PEP must involve Aboriginal and Islander parents and community people in all aspects. PEP funds can be used to fund involvement of local Aboriginal Education Consultative Groups and individual people in school level PEP projects. Other possibilities include the establishment of school-level Aboriginal education committees and the employment of Aboriginal and Torres Strait Islander community education advisers and other consultants.

Teacher-renewal and Support

Most teacher education courses do not prepare teachers to meet the special needs of Aboriginal students. Action must be taken through appropriate in-service education to rectify this situation. Unfortunately Aboriginal education has had a low priority in allocation of in-service funds in the past. NAEC recommends that PEP funds contribute to change in this area by providing funds and release time for Aboriginal education in-service activities. The involvement of Aboriginal people in school level, regional and State/Territory Aboriginal in-service activities is essential.

School Structure and Organisation

Many facets of the organisation of secondary education contribute to the difficulties experienced by Aboriginal students. The majority society is unaware of many of the cultural assumptions reflected in school organisation and structure. The effects on Aboriginal students of the hidden curriculum of many schools should be recognised. Culturally linked aspects such as discipline policy, school encouragement of competition, communication styles and attitudes to autonomy, maturity and authority should be studied to evaluate their effects on Aboriginal students.

Most Aboriginal students attend schools where they are a minority group of students, and where the social environment does not reflect their Aboriginality. The presence of Aboriginal adults in schools is significant in motivating Aboriginal students and creating a supportive and culturally and linguistically appropriate environment for them. At secondary level it is essential that Aboriginal community education

advisers, guidance officers and, of course, Aboriginal teachers are employed. Much can also be achieved through improvements to physical resources. Several schools have established Aboriginal resource rooms, whilst others support community initiatives to establish homework and community education centres.

Both major and minor organisational changes are likely to benefit Aboriginal students. Smaller class sizes will assist by enabling more personal teaching methods to be introduced. Alternative student groupings to enable senior Aboriginal students to give support to younger students should also be trialled. Special measures to assist primary students in their transition to secondary school will provide a firm foundation for secondary education. At the Year 11 and 12 level, alternatives such as Aboriginal senior colleges should be established as a means of providing a supportive Aboriginal social and academic environment.

PEP funds could be applied to studies and evaluations of structural and organisational changes as well as to the establishment of additional resources as discussed above.

Post-school Links

As mentioned previously the opportunities for employment and training in Aboriginal organisations and support services are likely to motivate Aboriginal students. Greater use should therefore be made of such organisations for work experience placements. Special link courses for Aboriginal students offer an additional means of meeting their needs. Excursions and study tours to Aboriginal organisations and tertiary education programs assist students in moving on from school to employment or further education.

Special Needs Groups

There are several groups of Aboriginal students who are especially disadvantaged or who experience unique difficulties. Funds provided through PEP will make possible special studies of their needs. These groups include:

- young people who currently have no access to secondary education because of remoteness
- students who live away from home to attend secondary school
- students in corrective institutions
- students in children's homes and non-Aboriginal care
- gifted and talented students.

Many of these ideas are based on initiatives currently under way in one or two schools. We recognise that many dedicated teachers are working closely with Aboriginal people to improve the quality of secondary education for our students. NAEC hope that its ideas and those proposed in this article will stimulate more schools to reconsider their secondary programs and take positive steps to improve the quality of secondary education for Aboriginal students. The PEP provides the opportunity for Education Departments also to reassess the effectiveness of the existing special Aboriginal education programs at secondary level. The NAEC looks to the Commonwealth and State/Territory level committees of the PEP to ensure that a significant proportion of PEP funds is allocated to Aboriginal initiatives.

THE PARTICIPATION AND EQUITY PROGRAM: A WESTERN AUSTRALIAN PERSPECTIVE

*by Peter Dunnell**

When the Participation and Equity Program (PEP) was announced, my first thoughts were that it was a beast of a title but that, from a Transition Program point of view, it seemed as though it would be business as usual.Closer examination of PEP's guidelines revealed what seemed like some real teeth that Transition had never really had.

For one thing PEP's objectives were expressed in outcome terms - a significant increase in the number of students completing Year 12 and more equal outcomes of schooling for traditionally disadvantaged groups. For another, it established a committee which seemed unwieldly in terms of its size, but which was expected to have a significant executive role in the program. How would we respond to these changes I thought? The next few months should prove interesting.

PEP was obviously seeking major changes in some key areas of secondary schoooling; for example, in the purposes it serves, the assumptions on which it is based, the organisational arrangements through which it is conducted, the curriculum on which it operates and the assessments on which its success is judged. This I found comfortable. It was consistent with the general approach we had been following in the latter stages of the Transition Program. However, PEP held considerable hope of being broadly about secondary schools from the outset. The Transition Program's 'at risk' and 'make more employable' antecedents had proved very difficult focuses to throw off. A new start perhaps. More realistic hopes of engaging whole schools; more hope of involving other key sections of the Department. A challenging time ahead indeed!

However, PEP did seem to have some inconsistencies of its own. Given its broad educational intentions - relevant and significant full secondary education for the overwhelming majority of an age group regardless of interest, ability, racial or ethnic background, family circumstances or gender - how could one accept the concept of targeting? Surely a program with the intentions of PEP must have a place in all secondary schools? Sure it can be concentrated in some schools, but how do you persuade all schools that PEP's issues are vital for them to respond to, but that they may have to do so without any access to the resources it makes available? Our response to this has been to accept that the bulk of PEP resources will be spent directly in schools and to accept the concentration of those funds onto a number of target schools. However, we want to make significant funding available even to non-target schools. So far our State Advisory Committee has supported this recommendation and we now await the Schools Commission's response.

In Western Australia we have just experienced a major committee of inquiry whose focus was mainly on secondary schools: the Beazley Committee. In many respects the juxtaposing of the recommendations of

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this Committee and the commencement of PEP will be mutually reinforcing in terms of their impact both on our schools and the system which supports them. Beazley is urging structural and curriculum changes and a general rethinking of the purposes, conduct and outcomes of secondary schooling along lines which are very consistent with PEP.

This mutual reinforcement is likely to show up best between actions which need to be taken at the system level and other actions which need to be taken at the school level. Beazley has made many recommendations for change in the curriculum, staffing and advisory support for schools. To the extent that the recommendations are accepted (it seems most will be), the State Government will presumably carry the major financial responsibility for implementing the changes. However, many of Beazley's recommendations involve the development of school policies on a wide range of issues; still others will require schools to plan and participate in extensive review and development activities. These will cost money. Schools will need to buy teacher time (either through paying for teacher relief or part-time release) and will need to use expertise (such as that of facilitators or consultants) which may not be resident on their staffs. PEP funds will be very useful for these school-based ideas. However, the issues raised by the Beazley Committee are expected to need consideration in all schools, not just PEP target schools. Another aspect of the problem I referred to earlier.

One of the major pieces of learning that came from the Transition Program was that the more we tried to broaden the issues on which we sought to engage schools' interests, the more difficult effective engagement actually became. When schools identified Transition as being about improving the employment chances of 'at risk' students (i.e. those who were underachieving, disruptive or otherwise difficult), there were few problems in arousing their interest in the Program. Sure, they needed one or a few teachers keen to take up that challenge and, sure, they often proceeded as though (intuitively) they knew the answer to the 'problem', but generally they were willing, even keen, to respond. When in 1982 and 1983 we sought to generalise the impact of the Program, arguing that it provided resources for schools to improve their preparation of all students to meet the variety of demands imposed by adulthood, we had more problems.

I am certain that, to some extent, we had problems because people had come to see the Transition Program as doing what I have already described. They had difficulty with what appeared to be a change of purpose mid-term. However, I am even more certain that this is not the total explanation. We came to be making assumptions and statements about the general purposes of schooling; secondary schooling in particular. These were not much, if at all, different from such statements contained in documents like general curriculum outlines and school policy statements. These were already enshrined in important places in the schools and the system. However, we wanted more. We wanted schools to assess for themselves the extent to which their everyday lessons and other activities actually pursued those general objectives to attainment. This would put many teachers and administrators in new and largely uncharted territory; accepting a clear responsibility for the attainment by students of broad schooling as well as curriculum objectives.

I now recognise that this was beginning to try to do with school staffs what PEP is now seeking to do; to increase their accountability for the outcomes of schooling being achieved by all students. This is

potentially very threatening. Teachers have, virtually by definition, been successful in their own schooling and have come to recognise and focus attention on students who share their values, aspirations and skills. Many teachers have become quite adept at dismissing as unworthy in some way, students who cannot or do not take advantage of what is offered. Within fairly tight limits, the onus is usually on the student to adjust in order to avail himself of what is on offer. PEP represents a serious and quite fundamental challenge to this, not just obviously in its 'more equal outcomes' intentions but less obviously in its intention to increase significantly the proportion of the age group which completes a full secondary education. To achieve these objectives teachers will have to become generally less dismissive of under (or non) achieving students. They will have to be more willing to examine their own performance to see if changes on their part might improve student performance, satisfaction and (thus) retention.

Can the Program bring this about? It will be very difficult and very long term and, being completely realistic, I am uncertain whether it can actually be achieved across the entire secondary school system. One matter that will be crucial for success involves thinking out very carefully how interventions can best be made and how relevant interest and action in schools can best be supported.

The matters that require to be addressed are very personal and quite fundamental to teachers' whole working life. Successful strategies are likely to involve mobilising the needs teachers already feel to vary their programs and teaching styles. They are not likely to result from any external exhortations or directions. Teachers need to be 'eased in' to an examination of these issues, encouraged to see variations in their teaching styles as vitally connected with the issues of PEP and then supported carefully as they make a commitment to change and move to try new methods and styles. This would best be done, presumably, by people with a close relationship with the school and in whom the teachers have confidence.

Such processes in schools are likely to involve consideration of the professional relationships teachers have with their colleagues; especially where they may, as a group, agree for some members to review and change certain aspects of their work with a view to reporting back to the entire group. Support for this type of work needs to be provided by very skilled and very sensitive consultants. Such people are not in abundant supply. It is clear that, without extensive training, school staff members cannot be assumed to have these skills and seconded into consultants' positions.

The building up of a body of these skilled people may be the most crucial ingredient education systems require to make PEP successful. The legislated-for three year life of the Program will be a help in this regard but the restrictions in terms of proportions of PEP funds that can be spent on activities and services decided upon and planned by people other than those in schools will be a difficulty. My perception is that the importance of the role of a skilled consultant (and therefore, the importance of process issues in problem specification and solution development) is only recently being realised by systems level officers. It is by no means certain that school staffs will accept consultants' services as a worthwhile way to commit part of 'their' PEP funds. This represents an important challenge to people associated with the administration and conduct of PEP.

The Participation and Equity Program represents an important and very timely challenge to school systems, especially in respect of their secondary schools. In Western Australia that challenge is painted on an even broader canvas because of the recent report of the Beazley and McGaw Committees of Inquiry. A genuine attempt to develop a concept of full secondary education for all is the stuff of which that challenge is made. What we must be clear about, and what we must use PEP funds to maintain clarity about, is that to achieve this objective all aspects of our existing systems and practices must be subjected to careful and objective scrutiny. Whether we have the commitment and resilience to undertake this I am not certain. The existence of PEP funds, though, will be a major factor in our discovering whether we are up to this mighty challenge.

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DEVELOPMENTS IN PEP

. FROM THE TECHNICAL AND FURTHER EDUCATION COUNCIL OF THE COMMONWEALTH TERTIARY EDUCATION COMMISSION

The TAFE Council has commenced consultations with State TAFE authorities leading to the development of Guidelines for 1985. A meeting was held with State/Territory representatives on 16 April to discuss progress in 1984 and identify issues of importance for the further development of the program. Among the issues raised were:

- the balance between course provision and developmental activities
- the relationship between PEP courses and other courses
- the funding, role and accountability of community providers
- the relationship between PEP and the uncertainties of the labour market
- arrangements for link courses
- criteria for the payment of student allowances
- clarification of the meaning of such terms as 'participation', 'equity' and 'disadvantaged'
- the parameters of the youth policy framework of which PEP is the centrepiece.

At the end of April the Council received papers from the States and Territories indicating possible directions for 1985. These will be used by the Council as input to the Guidelines process.

The following amounts have been allocated to the various States/ Territories for PEP in 1984:

New South Wales	$10,059,000
Victoria	7,072,000
Queensland	4,381,000
South Australia	3,122,730
Western Australia	2,493,000
Tasmania	1,198,000
A.C.T.	538,000
Northern Territory	285,000

. FROM THE COMMONWEALTH SCHOOLS COMMISSION

All State government and non-government committees have been established and are operating. Many of the government committees have met on a number of occasions, addressing a variety of issues. Some have already established systems of working parties or committees to handle particular matters - policy and principles, targeting procedures, community-based projects, curriculum change, links with TAFE. At present, most government committees are concentrating on advice and views prepared by Departments of Education, though some are already using sources outside the Departmental framework. Some committees have arranged direct consultation with interest groups (particularly those representing especially disadvantaged students).

Discussion has been focusing to date on the issues of targeting principles, the balance of funding between systems and schools, funding of link courses, the continuation of 'transition' thinking, the importance of the school-based focus of the program, and the current emphasis upon the provision of central services and centrally initiated activities. Little work has yet been reported on the machinery for direct funding of schools or clusters or on the development of school-based action.

Non-government committees are working more slowly, and most are concentrating on operating procedures and principles and methods of targeting. Three non-government committees have no further funds to commit in 1984.

Committees, systems and authorities are still at an early developmental stage of activity associated with PEP and have had little opportunity yet to develop plans for 1985. Major activity on this is likely to occur as targeting procedures and the actual identification of priority schools proceeds.

Present thinking is for a major detailed submission from each committee covering the bulk of 1985 funds to be submitted in October/November 1984. The balance (say 20 per cent spread proportionally over school and system level activity) would remain unallocated for commitment on emerging needs during 1985. Some authorities have expressed interest in a 'rolling' system of approvals and early consultations on these approaches are to take place.

Three copies of the March reprint of the Schools Commission's report Participation and Equity in Australian Schools - The Goal of Full Secondary Education have been distributed to all secondary schools in Australia. A further reprint is planned. In addition, all schools have received a copy of the Commission's Program Guidelines 1984.

The Curriculum Development Centre, acting on behalf of the Schools Commission is currently finalising the artwork and text for a fold-out brochure/poster on PEP which is to have a print run of 100,000. It is also producing a 'newsletter' video on the Program. The Curriculum Development Centre is developing other print materials for journal articles and newspaper features. Scripts and treatment for a film and a video to be produced by Film Australia and funded by the Department of Education and Youth Affairs are at an advanced stage of preparation. The video, in the form of a public-affairs program, is aimed at teachers and

parents, and is planned to be available for distribution in June. The film, in a 'docudrama' format, is aimed at students and the community generally, and will be available in late October. Screening on commercial television over the Christmas holiday period seems a genuine possibility. Co-ordination of these and other dissemination activities is currently being undertaken and further details will be available during the next month.

Grants of more than $19 million have been approved for the PEP program in government schools throughout Australia. They have been allocated to the States/Territories as follows:

New South Wales	$6,000,000
Victoria	$5,045,550
Queensland	$3,420,000
Western Australia	$1,928,813
South Australia	$1,734,290
Tasmania	540,973
A.C.T.	324,390
Northern Territory	195,800

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. FROM THE VOCATIONAL TRAINING SECTION, TRAINING POLICY BRANCH DEPARTMENT OF EMPLOYMENT AND INDUSTRIAL RELATIONS: THE TRANSITION ALLOWANCE IN 1984

Against a background of considerable discussion on how best to rationalise the range of education and training allowances, and other income support measures currently available to young people, the Transition Allowance in 1984 will continue to address the specific needs of longer-term unemployed young people for formal vocational training in TAFE. The introduction of the Participation and Equity Program (PEP) from the beginning of 1984 has, however, broadened the range of course provision beyond the client group of longer-term unemployed and disadvantaged young people.

While most PEP TAFE course proposals will generally be discussed between the CES and TAFE to ensure that courses are relevant to the young unemployed and local labour market conditions, the wider objectives of PEP in the TAFE sector may mean that some PEP courses are inappropriate for the Transition Allowance target group. Accordingly, in order to retain its focus on the disadvantaged, the Transition Allowance will be available in respect of those full-time courses in TAFE (whether they are Commonwealth or State-funded) where a formal understanding has been reached between the Department and TAFE authorities that

- priority in selection will be given to the longer-term unemployed to ensure that such young people gain access to courses
- the CES will have a major role in terms of the referral and final selection (with TAFE) of trainees.

In this way, entry to TAFE will be provided to unemployed young people with preference to those most disadvantaged by such factors as lack of education, family background, sex or isolation. Most of these factors are reflected in prolonged or repeated periods of unemployment. Such young people by definition would otherwise have considerable difficulty in competing for training opportunities in the TAFE mainstream.

In addition, there has also been a streamlining of the age and length of unemployment criteria for the allowance. In 1984, the Transition Allowance will be payable to young people, 15-24 years of age, and unemployed and away from full-time education for **at least** four months in the last twelve. The median duration of unemployment for Transition Allowance recipients in 1984 is, however, expected to be about eight months.

VICTORIA. MINISTER OF EDUCATION

Ministerial Review of Post-Compulsory Schooling Discussion Paper. Issued by the Minister of Education for public information and discussion. Melbourne, Victoria: The Minsiterial Review of Post-Compulsory Schooling, April 1984 [66p.]

A SUMMARY

by C. Blakers

On 30 June, 1983, the Minister of Education in Victoria invited Ms Jean Blackburn to chair a Review of Post-Compulsory schooling in order

- to review the current educational and training provision for fifteen to nineteen year-olds who are not in full-time or part-time courses in higher education or in TAFE courses associated with concurrent employment
- to develop a discussion paper addressing the issues arising in educational provision for this group
- to organise widespread discussion of the statement and consideration of its implications
- to establish working parties to explore particular issues raised by the discussion paper and, in the light of the advice of these working parties and of public discussion, formulate proposals for action by those agencies with responsibility for specific activities and by the government in respect of general policies.

Background information on the Co-ordinating Committee was given in the Clearinghouse Newsletter, November 1983, p.4. This discussion paper has been developed as a basis for public discussion of the changes in post-compulsory education which are necessary to provide suitably for all young people in a democratic society at a new stage in history.

The Review was limited by its terms of reference to schooling in Years 11 and 12 and TAFE provision not associated with concurrent employment, such as Vocational and Tertiary Orientation Programs, the first year of Certificate courses and Transition courses. Though there are obvious problems in excluding other areas of education and training and in ignoring what happens before Year 11 in schooling, the provision which the Review deals with is of particular significance at the present time when there is increasing emphasis on retention and participation in education beyond the Year 10 barrier.

Social change and wider participation in education have made inappropriate the historical and highly artificial separation in education of the theoretical from the practical and applied. This separation has been reflected structurally in the division of education into academic (catering for the minority destined for tertiary studies) and technical (covering apprenticeships and technical/vocational studies). Despite efforts to change curriculum and accreditation in schooling, selection for tertiary entry still dominates purposes and aproaches: while the technical system as a separate secondary system has largely lost its specific purpose. At the same time, levels of youth unemployment make urgent the

need to provide adequately in education for the great majority of the post-compulsory age group so that all young people have at least the equivalent of Year 12 of schooling before entering the workforce or occupationally specific training. The value of this 'third phase of education', however, depends on the contribution which it can make to the development of knowledgeable, skilful and caring citizens; it requires radical changes in existing provision and it is incompatible with enforced retention of any kind designed merely to reduce the labour supply.

If learning is to become the socially preferred activity for 15-19 year-olds, one of the first requirements is financial support for students to encourage rather than discourage participation. It means also that education must be seen as neither vocationally specific nor as narrowly academic excluding and denigrating the practical. A general education will have its roots in the society and its activities, will relate theory and practice in a broadly vocational approach and will provide a firm basis on which specific skills can be acquired as necessary to meet the changing labour needs of a technological society as well as the needs of individuals faced with rapidly changing social patterns and demands. Such an approach to education does not imply any downgrading of the quality or expectations of education; rather it recognises that every endeavour has its own standards of excellence, and equally that every student has responsibility to strive to do as well as possible in each activity. To judge performance against the student's own previous achievement encourages the pursuit of excellence; to rank students in comparison with each other ensures failure for some.

These concepts of desirable educational change, discussed in Chapter 1, provide a context for more specific discussion of issues in subsequent chapters. Chapter 2 discusses participation in post-compulsory education and training in Victoria, including not only formal education in schools, TAFE and tertiary institutions but also other kinds of training undertaken in nursing, the police, business and apprenticeship. It notes also the fact that a great number of full-time students are also in part-time employment. It provides information on the post-compulsory education pathways in Victoria and the participation of students in the various school and TAFE options, and goes on to discuss factors influencing education participation such as social class, ethnicity, geographic location, gender, type of school and school curriculum.

Chapters 3-5 discuss the issues inherent in any attempt to provide worthwhile post-compulsory education for all. Chapter 3, dealing with curriculum, outlines the changes which have taken place since the 1960s in schools and TAFE, including the elimination of external examinations before Year 12; options for greater flexibility of curriculum within schools; the increasing popularity of TAFE. Nevertheless, post-compulsory schooling remains heavily focused on tertiary selection; for large numbers of students choice still means choice between schools and TAFE, between the academic and the vocational. The chapter goes on to discuss the implications for curriculum of adopting a broader approach to 'general education' providing for all student needs and emphasising mutuality and co-operation rather than competitive individualism.

In Chapter 4, credentialling issues are examined in terms, first, of the constraints imposed by the dominance of tertiary selection on the structures, content and approaches of schooling; and then of the need to find a balance between the task of tertiary selection which will, for many reasons, remain with schools and the provision of appropriate

education for a wide range of students. Because the issues are complex and difficult to resolve, the design of a Year 12 credential adequate and appropriate for a wide range of purposes will need close investigation and, more importantly, the co-operation of a number of different institutions including TAFE.

The desirability of such co-operation across educational sectors raises the organisational issues dealt with in Chapter 7. The historical fragmentation of education, separate institutions with separate responsibilities, the widespread concepts of academic as distinct from and unrelated to practical learning - all these raise structural barriers to change. The chapter outlines some steps towards re-structuring which have been taken and mentions the limitations. It goes on to discuss the desirability of new structures to cater for post-compulsory education: new comprehensive institutions drawing on the strengths of both school and TAFE. These 'comprehensive upper secondary colleges', as envisaged in this chapter, would in curriculum, counselling and accreditation procedures, cater for the full range of student needs, developing eventually into 'some kind of all-age community college'. The Participation and Equity Program provides an opportunity to try out some examples of preferred new structures and to point the way to overcoming the obvious organisational obstacles presented by any attempts at major re-structuring.

Making a third phase of education beyond compulsion attractive to and purposeful for the great majority of a generation cannot be achieved without substantial changes in existing arrangements. The final Chapter 6 sums up the directions of change which emerge from previous discussion. In essence, the paper has envisaged, in the first instance, comprehensive post-Year 10 institutions bringing together Years 11 and 12 in schools and such TAFE provision as precedes employment and is not occupationally specific. Such institutions would provide a general education combining the theoretical and the practical, providing for some common learning but also for specialisation and offering a Year 12 credential which will minimise competitive pressures on learning while challenging the capacities of all students.

The paper concludes by inviting public discussion of and response to the issues raised. Tables and figures in the Appendix provide further detailed statistical information, and a final section provides some guidelines for those wishing to make response on the issues to the Review.

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YOUTH STUDIES: THE RESEARCH

LABOUR MARKETS AND YOUNG PEOPLE

Part 3

Preface

. THE YOUTH LABOUR MARKET: EMPLOYERS' VIEWS AND PRACTICES

A summary of the research

by C. Blakers

. STATISTICS ON YOUTH EMPLOYMENT

by Moira Rowland

April 1984

PREFACE

Previous summaries in this series have been concerned with the supply side of the youth labour market: the numbers of young people entering the labour market; the factors which influence their decisions to do so; the relationship between education qualification and employment outcomes; the chances of employment for young males and young females. There are many gaps and inadequacies in the information available on the youth labour supply as comments in various papers contributed to the Clearinghouse Newsletter and Bulletin have indicated, but it has nevertheless been the prime focus of interest in and research on the youth labour market. Little attention seems to have been paid (except in terms of general inference and speculation) to effects which technological and industrial change may be having on the demand for labour, particularly for young labour. The summary of research which follows attempts to put together what little information is available to the Clearinghouse on employer views and practices, at least as seen through the eyes of employers. Despite the obvious limitations of scope and information, it may have its uses as indicating areas for further attention.

In the companion paper, Moira Rowland discusses the sources of statistics on youth employment and suggests ways of filling some of the gaps. This is the first of what we hope will be a valuable series on various aspects of statistical information.

Crabbed age and youth cannot live together.

THE YOUTH LABOUR MARKET: EMPLOYERS'VIEWS AND PRACTICES

The Youth Labour Market: Demand

As discussed in the Youth Studies Bulletin of February 1984, the choices that teenagers and their families make about whether or not to continue education beyond compulsory schooling are largely dependent on their perceptions of where occupational advantage lies: in further education or in early entry to the labour market. These individual choices - made for a variety of reasons - accumulate to produce the statistical trends of participation in education or in the workforce or in both (as with full-time students in part-time work). It is the sum of these individual choices which determines, in large part, the numbers of teenagers available to supply the labour market at any given time.

The availability of work and the kinds of work available constitute the demand side of the labour market. In this, the patterns of demand are the product of a complexity of interacting forces among which are historical patterning, technological change, international developments and relationships, political policies and programs, economic ups and downs, consumer attitudes and choices, social optimism or pessimism. These set the context within which the objectives of employment are pursued, whether in terms of production/profit or tasks/services or sometimes both. But, as with the labour supply, the particular patterns of employment demand which develop within the social/economic context are due in large part to the perceptions and choices made by individuals and groups of individuals - in this case, employers. Employers determine the balance of capital and labour in the enterprise, the kinds of skills required, the numbers and kinds of people needed to meet the employment objectives. Their views and practices are an important factor in providing employment opportunities for young people - or in reducing these. It is therefore of interest to know what employers think of young people, what they want in their job applicants, whether and how they recruit young employees, whether and how their planning/policies and practices adapt to changing social and economic conditions and accord with long-term prospects.

Most comment and research to the present have focused on the supply side of the youth labour market. Work on labour market demand seems largely to have been confined to statistical analysis of Australian Bureau of Statistics, Census and similar data on overall trends such as the changing balance of full-time and part-time work and of primary, secondary and tertiary industry; the anticipated broad effects of technological change; some aspects of labour market segmentation. There seems to have been very little work done on how the industrial trends actually translate in terms of occupation change, the kinds of skills and the kinds of persons required for particular work, employer perceptions and practices.

On the basis of the statistical analysis which has been done, it is possible to build up a general picture of the youth labour market, which for nearly a third of teenagers presents a very bleak prospect. Some of the major trends affecting the youth labour market were discussed in the February Bulletin. With the decline in full-time employment, 'about 80 per cent of male and 70 per cent of female employed teenagers currently work on a full-time basis, compared with 95 per cent of both sexes who worked full-time in the mid-1960s' (Bureau of Labour Market Research (BLMR) 84/AB:19, p.8). Contributing significantly to this decline has been the substantial reduction in public sector employment of teenagers, in spite of a continued growth overall in public sector employment (BLMR 84/AB:19, p.23-24). The national trends in this reduction of opportunity

are reflected in one of the few available studies of a particular region. Horinek, writing on youth and employment prospects in Western Sydney (NSW) reports 'stagnant levels of recruitment to the NSW Public Service in the four categories of clerks, clerical assistants, apprentices, stenographers/typists/machine operators' - all of these previously providing work entry opportunities for young people. He comments:

> If one considers the 1971 figures as a benchmark, the data reveal that, in both Divisions [3rd and 4th], recruitment of 15-20 year olds over this 11-year period declined in both absolute numbers and in relation to population and labour force growth (84/AB:29, p.15).

Horinek sees the decline as having its roots in structural changes (p.75). Davis, in his study of the same region,[1] notes that 'the last ten to fifteen years have witnessed major changes in the nature of new jobs being offered in the labour market. At the lower end of the scale, affecting 15-19 year olds especially, there has been the disappearance of thousands of early school leaver full-time jobs while there has been the appearance of a large number of part-time jobs' (p.76).

Similar effects are identified by Sweet in An Analysis of the Australian Labour Market for Typists, Stenographers and Secretaries.[2] He notes that 'typing is a youth dominated occupation' though less so now than previously. In 1981, 15-19 year olds constituted 15.8 per cent of all typists but 12.1 per cent of all employed females. Typing has also been important for older members of the female workforce, offering particularly an initial entry point to the workforce (p.9). Typing declined as a source of employment for women between 1966 and 1976, most of the decline being concentrated in the younger age groups. For those under 25 years, the decline continued: 17.9 per cent to 9 per cent of all employment among 15-19 year olds; 17.8 per cent to 12.1 per cent among 20-24 year olds (p.10). Thus, though there has been minimal change in total demand, there have been important 'restructurings of demand with respect to age, industry, State and hours of work' (p.71).

The Annual Report of the South Australian Council on Technological Change[3] also indicates the decline in entry level work opportunities due to technological change: the use of 'natural attrition' to reduce employment levels which protects the employed at the expense of those seeking work, including young people; 'jobless growth' increasing production without employment; technology which threatens the unskilled and the semi-skilled and which eliminates many of the 'traditional entry points to the workforce - the positives in which recruits to an organisation "learnt the ropes" and had their talents assessed by supervisors' (p.8). (See also Ford, 84/AB:5-7).

Accompanying the decline in full-time work for teenagers has been an increase in part-time work. As discussed in the February Bulletin, most of the part-time jobs are casual, seasonal, temporary. They are poorly paid and last an average of 7-10 hours a week, fitting in with the hours of school students who in fact hold most of them. However, Davis[1] suggests that for some school leavers, these part-time jobs may be a stepping stone to entry into full-time work (p.77).

For the early school leaver, Davis argues that the job market 'is not only bad but it is in an irreversible decline, and that this is a

decline quite apart from a shortage of jobs due to economic recession' (p.99).

This is the general picture of the youth labour market derived in large part from statistical analysis of labour supply trends. Within the context of overall decline in employment opportunity, it indicates that young people are losing the full-time jobs which previously gave them entry to the workforce. In the post-war period of full employment, most young people got jobs if they wanted them. The opportunity to change jobs enabled many of them to explore the labour market and their own capacities. This no longer applies and there is as yet insufficient information available to indicate whether, as Davis[1] comments, part-time jobs are providing entry points to the full-time labour market or whether they remain short-term and dead-end or whether they act as a further filtering mechanism separating the teenagers with employment potential from those who are to be discarded by the labour market.

The youth labour market is particularly vulnerable to economic/employment downturns. Even in times of 'full employment' such as 1954 the rate of unemployment for 15-19 year olds was 1.7 times the adult rate. By 1971, it had increased to over three times the adult rate and has maintained these proportions since. Labour markets, when they have the choice, discriminate against those with few skills, limited or no experience, little training and an unproven work ethic - unless there are countervailing factors such as government subsidies or wage differentials. Behind these trends are the attitudes, perceptions and practices of individual employers, about which research has so far had little to tell. As mentioned in the Bulletin of February 1984, there has been no Australian study comparable with that undertaken by Ashton, Maguire and Garland in the U.K. (B116). It is significant that a number of BLMR reports depend in large part on 'anecdotal' evidence for information on employer attitudes to and criticisms of young people which may influence their decisions to recruit or not to recruit young people (Paterson and Mackay 83/AB:39, p.25; 83/AB:40, p.4.17). The BLMR Report (84/AB:19) comments:

> Summing up, a plausible explanation of the disproportionate burden of the recession borne by youth is that they were in general less preferred by employers than adults. However, without considerably more research it is not possible to gauge with confidence how important this effect might have been and to assess whether the main influence was that their relative productivity was low in relation to their wages, or that their relative non-wage labour costs were high. (p.18-19)

Yet information about what is actually happening behind the statistical trends and predominant 'impressions' is essential to an understanding of how the youth labour market is operating, and this understanding is essential if programs designed to improve the chances for young people are to be effective.

The summary which follows puts together the findings of the few studies which have been undertaken in the last eight years or so in an attempt to throw some light on what employers say about their views, needs and practices.

The Studies

The studies of employer attitudes and practices which have come to the Clearinghouse vary considerably in aims, location, scope and importance, and it is desirable to give some indication of the variations before summarising the findings.

In NSW, a study[1] by Davis in February 1983 into education and training for employment in Western Sydney interviewed 50 employers of pre-apprenticeship program participants and 50 employers of Work Skills program participants to assess their views on the value of these programs. Another study by Horinek in the same area and also in February 1983 (84/AB:29), provided an overall view of youth and employment prospects in Western Sydney, giving background but no direct employer survey. King, focusing on school leavers in Goulburn, NSW, (84/AB:30, 1983) surveyed 23 employers in the Goulburn area, using both interview and questionnaire.

In Queensland, Morris and Cope (83/C:40) conducted a pilot study in 1979-80 to examine the precise needs for literacy and numeracy in a number of representative occupations for which apprenticeship training is required. In the course of this, they interviewed 48 employers in the ten trades using most apprentices. Sungaila (B27) surveyed 30 employers of young people in the Far North Region of Queensland, covering eight major categories of industry and using a scheduled half-hour semi-structured interview.

Examining youth employment and unemployment in the Whittlesea Shire (an outer suburban area of Melbourne in Victoria), Day and Malcolm (B82) surveyed employers by distributing 490 questionnaires. Their findings are based on the 283 responses received, complemented by interviews with 22 of the employers who responded. Dickson in 1982 conducted a research survey of employment in the Westernport region of Victoria (83/AB:32) to provide an overview for a later more detailed study of the labour market in the area. Of the 1163 surveys mailed to employers in this study, 450 were returned. A small study of the problems of unemployed youth in Heidelburg in Victoria (C47) interviewed 8 employers. Bride and Knights, as part of a 1982 study of Young People in Transition (B78) interviewed the employers/supervisors of 58 young people in twelve major manufacturing groups.

One of the earliest (and most quoted) studies was undertaken by Williams and Priest in Western Australia in 1978.[4] In this study, a questionnaire mailed to 384 medium to large enterprises in the Perth metropolitan area provided 284 responses. These were complemented by interviews with employers in more than 70 small enterprises. This study was endorsed by the Confederation of Western Australian Industry (CWAI: A12) as accurately representing their views on educational standards. Novak and Crockett (B117) in 1980-81, studying internal labour markets and employee career patterns, used a case study approach with three firms in the private sector: a financial firm, a large retail firm and a large processing firm. The study included interviews with selected personnel and training executives.

Lacking more thorough and directed research into the youth labour market, its structures and practices, these limited and disparate studies can provide little more than random probes to fill out general and anecdotal impressions of what employers say and do. There are, of course, considerable difficulties attached to research into such amorphous aspects of labour market demand and employer attitudes. As the Federal Government's Summit Conference in April 1983 and subsequent employer comment on economic directions have indicated, employers are even less

homogeneous as a group than are trade unions. Even employer organisations have difficulty in speaking for 'employers'.

The term 'employer' covers a wide range of people and enterprises. Loosely used, it includes owners/proprietors, managers/chief executives, personnel managers, supervisors together with others who may at particular times and for particular purposes be involved in recruitment, selection and hiring of staff. Employers are divided further according to the nature of their undertakings into those (mainly private sector) who attempt to operate on a commercial basis for a profit and those (mainly public sector) whose objectives are tasks or services without a profit consideration. The processes by which employment demand is determined may be different in each of the sectors. It may vary also according to size of enterprise. Businesses and organisations employing people range in size from the small family type business to the large national or international corporations and the large government departments and instrumentalities. They cover a range of outputs and services and of geographical locations: in city, suburb, country town or country.

Research is also made difficult because employers, unlike school students, are not captive research material. It is often difficult for researchers to gain access to an adequate sample of employers, so that respondents in a survey may be limited to those employers who have, for a variety of reasons, agreed to co-operate. For example, in the survey of employers in the Whittlesea Shire of Victoria, reported by Day and Malcolm (B82), 283 responses were returned from 490 questionnaires - a response rate of 59 per cent (p.7). Of the 1163 questionnaires mailed to employers in the Westernport region of Victoria, only 450 were returned, most of these from small businesses with fewer than 30 employees (Dickson, 83/AB: 32, p.8-10). On the other hand, personal approaches and interviews seem to evoke greater interest and response.

Questionnaire surveys also present problems in identifying meaningful questions and framing them in ways to reduce the range of different interpretations and responses. Day and Malcolm (B82) discuss some of the difficulties inherent in framing simple questions which will nevertheless capture quite complex views and attitudes. It needs also to be recognised that responses to survey or other questions may not, for a variety of reasons, accurately reflect the real views of those responding. Williams and Priest[4] note this point in relation to the question of whether employers favour one type of school over another (p.24).

The conclusions drawn from these studies need to be qualified by all these considerations as well as by differences in scope of project and in project methodology. Even so, some general impressions emerge as having some common basis in the thinking and attitudes of employers. They provide some insights into what employers <u>say</u> about:

- their methods of recruitment and selection
- the qualities required of or lacking in young job applicants and employees
- youth unemployment.

Recruitment and Selection

Day and Malcolm (B82) report the four most cited sources of recruitment in their survey as being the Commonwealth Employment Service (CES), advertisements in a local paper, advertisements in a metropolitan paper, informal contacts through friends or other employers (p.34). Among other methods of recruitment mentioned but less frequently used were: unsolicited applications, private employment agencies, school careers teachers. Methods of recruitment varied according to size of firm. Large firms were more likely to advertise their vacancies in the local and metropolitan press than were smaller employers. All types of employers used the CES. Small employers relied more on informal recruiting networks/word of mouth than did larger firms (p.34-38).

These employer perceptions of recruiting methods are borne out by some of the other studies. King (84/AB:30) reports on increasing use of the CES and some use of school staff as referees (p.71-72), and the Dickson survey (83/AB:32) showed a main preference for private sources/networks (p.15). Bride and Knights (B78) found that their companies used the informal networks very heavily, relying on word of mouth, employees, family and friends. The CES and advertising were also favoured (p.61).

In all the reports, the interview emerges as the most important method of final selection. Other (supplementary) methods used include tests (general aptitude or specific); examination results; school reports/references. Almost half the employers surveyed by Williams and Priest[4] stated that the interview was the only method of selection used (p.25-26), though employers surveyed by Day and Malcolm (B82) indicated that they were well aware of the shortcomings of the interview as a valid selection process (p.44-45). [See also King 84/AB:30, p.71; Bride and Knights B78, p.63-64].

For large firms, selection often involves aptitude or specific tests before interview. Others rely on examination results or qualifications as an initial screening device. Three of the studies questioned their employers on preferences for students from particular types of schools, probing the finding of the ACER longitudinal study of secondary school leavers that higher employment rates are associated with having attended a Catholic school (Williams et al. B102).[5] Davis[1] reports that the Western Sydney data confirm this finding. He comments:

> The very least that these data indicate is that it is not just true that those who attended Catholic schools have a higher association with employment, but that it is also true this association applies to a broad and not, as might have otherwise been implied if the point had not been made, to a narrow social range. (p.73)

King (84/AB:30) also found that school leavers from Catholic schools were more likely than those from government schools to be in full-time jobs or apprenticeships, but responses to specific questions indicated no stated employer preferences for a particular type of school (p.76).

King attributes the relative employment success of students from Catholic schools to early arrangement of jobs. She comments:

> It appears that some of the advantage of school leavers from Catholic schools operates through their ability to arrange jobs early ... school leavers from Catholic schools are 33 per cent more likely to have had a job arranged by the time of the ISLQ [Initial School Leaver Questionnaire distributed in November and December 1981] than school-leavers from government schools. (p.129)

The Williams and Priest study[4] also reported that employers disclaimed any preference for particular schools:

> Most of the comments emphasised the importance of individual qualities rather than "the old school tie". However, it is also possible that some employers would be reluctant to state a preference even if they privately held one because of social pressures against discrimination. (p.24)

Overall, what emerges from these surveys is that advertising and the CES are used by larger firms; smaller employers, while also using the CES, rely much more heavily on recommendations through informal networks which may or may not include particular schools or type of school. Applications to larger firms are screened by a variety of devices such as level of schooling or educational qualification, specific or aptitude tests, quality of application and references. For final selection, the interview assumes an almost over-riding importance despite its acknowledged shortcomings. Given the importance of the interview, it is of interest to know the kinds of criteria on which employers make their judgements of young people: what they expect and what they think of young people.

Employer Views: Expectations of Young People

What employers think of young people and what they expect of them are generally two sides of the same coin. The expectations are the criteria on which the assessments of young people are principally formed; but (as will be discussed later) the expectations themselves may be as much influenced by external factors such as media comment as they are by the requirements of the job or the real qualities and standards of the applicants.

The qualities on which employers might be expected to place importance in varying degrees when employing school leavers and other young people fall into three main categories:

- skills and experience
- personal attributes
- education

Experience

In the case of the school leaver, skills and experience can have been gained only through part-time work as a school student, or in work experience programs. For young people who have been in the workforce for

a period, employment or unemployment experience and history become of relevance. The term 'experience' is capable of a wide range of interpretations. At one extreme, it refers to maturity, life experience and the qualities of reliability and motivation thought to be associated with these. Employers who look for this will prefer to recruit older people, including mature age women, rather than the young and untried.

Statistical analysis seems to indicate that employers are showing a preference for older and more experienced workers. Although the 1981 research report of the Bureau of Industry Economics (BIE, A5) concluded from its analysis of occupational distribution that 'the labour market is strongly segmented by age' (Chapter 4), other analyses suggest an increasing displacement of young people in the labour market parallel with increased participation in the workforce of mature adult married women (BLMR 84/AB:19, p.19). In typing, for example, which has traditionally been a work entry point for young females, Sweet[2] comments:

> In summary, moderate aggregate falls in demand for typists between 1966 and 1976 mask increased demand for older typists which coincided with quite large declines in demand for junior typists. (p.20)

The employer survey reports give some indications of the preference of employers for older workers. Two of the reports mention this as an expressed preference (Sungaila B27, p.381-382; Day and Malcolm B82, p.24). But the strongest indications lie in the negative comments made by employers on the attitudes of young people compared with those of older workers, and these will be discussed later.

The accent on 'experience' may also lead some employers to prefer Year 11 school leavers to those from Year 10 or earlier on the grounds of 'greater maturity' (Bride and Knights B78). In most cases, however, when 'experience' is applied to recruitment of school leavers, it vaguely defines a requirement that young people know about work and the workplace; that schools should prepare students for work. The submission of the National Industrial Council Federation of Australian Industry to the Senate Standing Committee on Education and the Arts, quoted in the 1981 Report, Preparation for the Workforce (E1) sums up these kinds of expectations:

> ... a significant proportion of young people entering the labour force directly from secondary school:
> a) lack understanding of the nature and operation of industry
> b) have little idea of what they are looking for in the way of employment
> c) have little idea of what may be available to them in the way of employment
> d) lack an understanding and appreciation of what will be expected of them and their basic respoonsibilities upon taking up employment
> e) possess employment expectations beyond their immediate capabilities and often beyond the capacity of industry to fulfill
> f) possess a low level of basic skills in literacy and numeracy. (p.4)

Williams and Priest[4] infer from their survey 'that employers would like young people to be given more realistic vocational preparation' (p.49), including 'preparation for the realities of the world of work' (p.49). Bride and Knights (B78) found employers 'critical of the young people's level of knowledge of employment conditions and of general expectations associated with being a member of an organisation' (p.24). King (84/AB:30) found that 'employers may prefer to hire school leavers who have had some experience of work' (p.36).

It is on this basis that employers in almost all the studies are in favour of work experience programs for school students. However, the general approbation of such programs tends to remain on the level of seeing this component of schooling as 'a good thing'. Except in those cases where the employer is particularly committed to providing opportunity for young people or uses the program to assess the potential for employment of specific individuals, there is little evidence that work experience programs weigh heavily in the selection processes of employers. Day and Malcolm (B82) comment that 'it appears that participation in school experience programs does little to encourage employers to look beyond the immediate environment of the interview in assessing the suitability of potential employees' (p.42).

Two other aspects of 'experience' do appear to weigh with employers. In King's Goulburn study (84/AB:30), 'about half the employers reported that a history of unemployment would reduce a school leaver's chances of employment' (p.77), some of the responses indicating 'concern about such an applicant's attitude, dependability or job stability' (p.77). In the Dickson survey (84/AB:32), only 49 per cent of the employer responses disagreed with the proposition that 'most people who have been unemployed for longer than six months are virtually unemployable anyway' (18 per cent agreed and 33 per cent were undecided, p.16). King (84/AB:30) goes on to comment that 'about two-thirds of the employers reported that a history of job-changing would reduce a school leaver's chances of employment' since this kind of experience could indicate an unstable or 'difficult' employee (p.77). Davis[1] sums up the situation in these terms:

> The Western Sydney job market is strongly discriminatory ... a discrimination made, one might suspect, not so much on the basis of people proving to be poor risks but more on the signs that they might be. The fact of being an early school leaver, the fact of turning jobs over quickly, the fact of being unemployed - especially if for a long time - and the fact of working in a 'mere' factory are 'signals' to many employers discriminating between people regardless of their real potential. (p.103)

Personal Attributes and Education

By far the greatest influences on employer selection of school leavers and other young people are the expectations held about their personal attributes and educational preparation. Personal attributes include presentation (cleanliness, smartness, punctuality, manners); attitudes to work (motivation, willingness to work hard); interest in the job; school and family background. Educational criteria embrace years of schooling; educational qualification/certification; basic skills,

particularly literacy and numeracy; general knowledge and general education.

Ashton et al, in the U.K. study mentioned previously (B116), identify five selection strategies used by employers, each characterised by a different balance in the importance attached to academic (educational) as opposed to non-academic (personal) criteria. Strategy 1 is seen where the employer stipulates a minimum level of educational qualification for the job but selects from candidates with the highest qualifications, attaching weight to non-academic qualities only in the final selection. Strategy 2 involves the use of educational qualifications as a device to screen out those below a set minimum, but selection is then made on non-academic criteria. In Strategy 3, the balance of importance is placed on non-academic criteria. Strategy 4 places almost all the weight on non-academic criteria and in Strategy 5, employers positively disqualify those with educational qualifications as being unsuitable for the undemanding nature of the job. The study found that even at the highest educational qualification levels 'non-academic criteria were still considered to be very important in determining which of the applicants with the minimum qualifications would succeed' (p.54).

A similar emphasis on personal non-academic criteria can be seen in most of the Australian material, though the findings are more diffuse and the balance given to different criteria more difficult to determine. In the Williams and Priest study in Western Australia,[4] personal qualities were rated highly by employers: a willing attitude, pleasing appearance, manners, etc. In summary, employers expected

- a sense of responsibility, respect for authority, loyalty to employer
- punctuality and diligence: ability to work with and be considerate of others
- initiative, self-confidence and the ability to work without supervision. (p.37)

The Sungaila survey of 30 employers in the Far North Region of Queensland (B27) indicated that employers were 'far more concerned about young people's **attitudes to work** than their academic skills' (p.382). The study by King in Goulburn also emphasised the importance placed by employers on qualities such as a sense of responsibility, respect for authority, interest in the job and personal presentation (84/AB:30, p.72). [See also Day and Malcolm B82, p.40-42; Bride and Knights B78, p.31].

This strong emphasis on behaviour, appearance and attitudes is fairly straightforward and hardly unexpected. On the importance of educational criteria, the evidence on employer views is much more mixed, reflecting basic differences in approaches adopted by large employers compared with small employers and the differing demands of different jobs.

Length of schooling is touched on in only one of the studies mentioned and that in relation to employer preference for more 'mature' school leavers (Bride and Knights B78, p.56); but given the ample evidence connecting length of schooling with employment outcomes (see Clearinghouse Bulletin February 1984, p.61-64), it can be inferred that on the whole employers tend to select applicants with more years of schooling behind them (see also Davis[1] p.92-93).

Reliance on specific educational qualifications seems to be more common with large employers than with small ones, particularly when used as an initial screening device. Bride and Knights (B78) comment that 'the academic qualifications sought by employers vary greatly from firm to firm. In unskilled jobs they are not usually a significant factor in selection. Apprentices are expected to have at least Year 10 but more frequently Year 11 with a strong background in mathematics and science' (p.56-57). For office work, Davis[1] found that employers 'did tend to put a lot of stress upon workers having the School Certificate, or possibly higher level or additional qualifications. The differing employer requirements and therefore approaches to the question of educational qualification are illustrated in King (84/AB:30, p.37-39; Williams and Priest p.38-40).[4]

The aspect of education which attracted unanimous agreement as being an essential requirement was a good grounding in literacy and numeracy. As will be discussed later, these terms meant different things to different people, covering, at different times, oral and written expression, spelling, communication, legible writing and various aspects of practical arithmetic (see Bride and Knights B78, p.31-32; Williams and Priest,[4] p.38; Morris and Cope 83/C:40; Sungaila B27, p.382).

Employer Views: Assessments of Young People

A casual reading of these studies could give the impression that employers have a very low opinion of young people. Their criticisms focus on standards of literacy and numeracy and on attitudes.

In the Williams and Priest[4] survey, 38 per cent of employers believed that school leavers needed improved 'verbal skills' and 22 per cent that they required better number skills (p.47). In the Sungaila survey (B27), employers 'agreed that young people are coming to them with far better educational qualifications *per se* than their older counterparts or indeed than they themselves had ever achieved', but this did not make up for their lack of competence in basic skills. Although 'only 16 per cent attached great importance to a recruit's "ability to write good English" and only 20 per cent to a recruit's "skill in handling figures"' on both criteria 'they expressed the view that young people's skills in these areas had deteriorated, particularly in relation to their being able to write legibly and spell correctly' (p.382). Morris and Cope (83/C:40) reported that respondents felt that literacy and numeracy standards were falling, but they also point out the considerable variations apparent in employers' concepts of literacy and numeracy. They express their own amazement at 'the claims of some individuals from companies who say that standards have decreased on the basis that many rejected applications are of poor quality in expression, spelling and penmanship', particularly when 'these attributes are rarely required on the job' (p.42). Bride and Knights (B78) also draw attention to the different meanings given by employers to concepts such as 'literacy': 'When a supervisor describes a person as having a low level of literacy, they may really mean that the person has illegible handwriting' (p.32). This report also concludes that 'employers are generally very satisfied with the young people whom they have employed. This satisfaction is strongest in respect of reading, writing, mathematics and trade skills (p.24).

Employer dissatisfaction with attitudes is expressed in many of the reports. Williams and Priest[4] found a considerable degree of dissatisfaction, particularly among private employers, with attitudes of conscientiousness and motivation, with standards of appearance and punctuality. In the Bride and Knights (B78) study, employers were critical of motivation, attitudes, ability to relate to adults and knowledge of employment conditions. The Sungaila responses (B27) showed that two-thirds of employers perceived young people as being less willing to work than were their older counterparts: 'They want jobs, not work' (p.382).

Despite what appears to be strong criticisms of the inadequacies of young people, many of the same employers find that their young employees do meet their requirements. In the Williams and Priest survey the large majority of employers (86.8 per cent) thought that their young employees met their needs adequately or very well. The comment from the Bride and Knights report (B78) quoted above echoes this assessment. King (84/AB:30) reports that, asked to evaluate change in the quality of school leavers over time, ten of the 23 employers reported no change and 8 indicated a change for the better (p.77).

There would seem therefore to be some considerable discrepancy between the views employers hold of 'young people' and their assessments based on personal experience with their own young people. Their views on youth unemployment, discussed in the next section, show a similar ambivalence.

Employer Views: Youth Unemployment and Employment

In three of the studies, employers were questioned about their views on youth unemployment. Responses indicated not only considerable variation among employers but also some ambiguities and inconsistencies in the responses of the same employers to different questions. In the Dickson survey (84/AB:32), responses to two different sections of the survey indicate some of the ambivalences. Given the propositions that 'the main reason for youth unemployment' is:

- young people's negative attitudes to work ... 42 per cent of employers agreed
- lack of suitable jobs ... 37 per cent " " "
- the education system ... 32 per cent " " "

(Table 9, p.16)

Asked later to select the three major causes of unemployment in Australia, 52 per cent of the employers chose 'unions seeking higher wages'; 47 per cent chose 'difficulties in maintaining profit margins'; 41 per cent, 'high wages'; 39 per cent, 'world recession' and only 10 per cent thought that people do not want jobs and prefer unemployment benefits (p.17).

In the Sungaila study, some employers 'pointed to the deleterious effect on young people's attitude to work of the communal life-style so many of them are now pursuing; ... of the readily available youth unemployment and social welfare benefits, providing an income which compares very favourably with that of a young worker' (p.383). King (84/AB:30) also found considerable evidence among employers in Goulburn of negative 'dole bludger' attitudes, quoting the comment:

> I think unfortunately these days there's a lot of the unemployed want to be unemployed ... Not all of them mind you. It's wrong to say they're all dole bludgers. But there is a percentage. They get a group together, three or four in a house, and they live like kings. And they don't want to work ... I think a lot of them [business people] think that people aren't trying to get jobs. (p.18-19)

Day and Malcolm (B82) found considerable inconsistency in the views of employers, as the following excerpt indicates:

> A majority of respondents 'agree' that there are plenty of jobs around; over half 'agree' that the main reason for youth unemployment is young people's negative attitudes towards work; over half 'agree' that many young people registered with the CES are lacking basic literacy and numeracy skills, and 41 per cent 'agree' that most young people who register with the CES do so because they simply want the dole. For most of these items the proportions 'disagreeing' are very small. From these replies one would conclude that the respondents are predisposed to lay most of the blame for youth unemployment on the failings of the unemployed themselves.
>
> However, such an interpretation does not accord with responses to many of the other attitude statements. For example, nearly 64 per cent 'agree' that most young people who register with the CES do so because they want to find work. Informants are evenly split on the statement most people who are unemployed simply have not tried to find work with about 40 per cent at either end of the scale. Over half (53 per cent) 'disagree' that most young people would rather be on unemployment benefits than work anyway (a contrast to the perception of CES-registered youth as people who simply want the dole). Just over half (51 per cent) 'agree' that the main reason for youth unemployment is the lack of suitable jobs. These views suggest that the majority of employers see some systemic reason for youth unemployment, rather than laying blame on young people themselves. (p.85-86)

The report attributes the inconsistencies partly to methodological difficulties inherent in questionnaire type responses, but also to 'the malleability of many of the attitudes' (p.103).

Some of the surveys questioned employers about their views on job prospects for young people. Overall, employers saw prospects of increased job opportunities as fairly poor at best and, in fact, as likely to decline. Such opportunities as offered were more likely to be part-time than full-time. For example, two-thirds of Goulburn employers (King, 84/AB:30, p.70) thought that both short and long-term prospects were either fairly or very bad. In the Dickson survey (84/AB:32), half the employers anticipated a decline in both full-time and part-time work with

some substitution of casual part-time work for what had been full-time. Davis[3] comments about prospects for early school leavers in Western Sydney that the job market 'is not only bad but it is in an irreversible decline', and that this decline, for structural reasons, 'is a decline quite apart from a shortage of jobs due to economic recession' (p.99).

Asked why school leavers were not employed, 60 per cent of employers in the Williams and Priest[4] survey said that there were no suitable jobs and attributed this 'partly to the general downturn in the economy and to the nature of particular industries'. Several comments related to computerisation. For example: 'We no longer employ school leavers, partly due to reduced company activity in this State, and partly due to the advent of computerization, for which today's school leavers have neither the inclination nor the endurance required for the satisfactory execution of such jobs' (p.20).

The next most frequently mentioned reason was a preference for employees with some experience. In the Day and Malcolm survey (B82) two-thirds of employers mentioned 'lack of suitable positions and level of business undertaken by the firm' and 22 per cent considered that 'the costs involved are too high' (p.28). Costs were also mentioned in the King (84/AB:30) and Dickson (83/AB:32) surveys as weighing against employment of young people.

The Costs of Youth Labour

Perceptions of the costs inherent in employing young people may be an important factor in the decisions employers make about increasing capital investment rather than labour, employing adults rather than juniors, recruiting or retrenching young people. These costs fall into two groups: wages and non-wage costs (including holiday payments, superannuation contributions, payroll tax, workers' compensation, hiring/training costs).

As indicated in the previous section, a number of the employer surveys mention cost as a deterrent to employing young people. Fifteen of the twenty-three employers in King's Goulburn study, for example, responded that employment of young workers had been affected by the wage structure (84/AB:30). In the Dickson survey (84/AB:32), 52 per cent of employers agreed that 'it is too expensive for employers to take on young people' (p.16); and 22 per cent of responses in the Day and Malcolm survey (B82) gave as first reason for not employing young people that 'costs are too high' (p.29).

These perceptions of high youth wages and other costs relative to those of adults have been reflected in a good deal of public and media comment in the last decade. This, in turn, has been followed by some research interest particularly in the BLMR which has produced a number of working papers[6] on the issue and a major report (84/AB:19) on which this summary relies very heavily.

Analysing non-wage costs, the BLMR report concludes that:

> ... junior/adult relativities for most important non-wage labour costs have generally moved in a similar fashion to junior/adult wage or award wage relativities. Hiring and training costs

> and superannuation payments are believed to be exceptions, but they may have offset each other to some extent, so that the net impact is unclear. Overall, it seems unlikely that the trends in labour cost relativities indicated by a consideration of relative wages or award wages would be changed by incorporating non-wage labour costs. (p.58)

Commenting on this, the background paper prepared for the OECD visiting team in November 1983 by the Department of Education and Youth Affairs mentions 'the possibility of Government's reducing the junior/adult non-wage labour cost relativities by introducing measures such as selective payroll tax exemptions' (84/AB:82, p.105).

It is the wages component of youth labour costs which has attracted most comment and criticism. In Australia, the wage rates of about 90 per cent of employees are determined by Federal and State industrial tribunals under a multitude of different awards. Junior wage rates are theoretically fixed as a proportion of adult wage rates on the basis of four main criteria:

- work value
- the needs principle
- capacity to pay
- the 'allocative' principle: that is the extent to which junior wage rates affect the employment demand for young people.

In fact, there appears to be little evidence that industrial tribunals have seriously considered these or any other consistent criteria in determining wage rates for juniors. Nor has the basic research and information been available which would allow the consistent application of criteria. Junior award rates then have been largely a matter of an ad hoc application of a percentage of adult rates.

Thus developments affecting adult wages can have significant and unconsidered effects on junior wage rates. Two such developments in recent years have been the Equal Pay decisions of the early 1970s and changes in the Federal Metal Industry Award. The Equal Pay decisions changed junior/adult relativities by increasing the award wages of both junior and adult females relative to junior and adult males. These changes may have affected the position of junior females in competition with junior males and of junior males in competition with adult females. Changes to the Federal Metal Industry Award and flow-on from this, together with other factors, had the effect of compressing junior/adult wage relativities.

A study of 13 sample awards conducted by BLMR (84/AB:19, p.50seq.) indicated that junior award wages for both males and females rose by 8 per cent relative to those of adults between 1972 and 1974. The compression was greatest in the case of 17 year olds (13.6 per cent) and declined from that point to age 20 (5.2 per cent).

Two ACT awards (Clerks 1978 and Retail/Shop Employees 1983) illustrate junior wage rates as a percentage of adult wage rates. They indicate that whereas 15-16 year olds get half or less of the adult wage rate, 18 year olds receive up towards three-quarters, making age 17-18

years an attractive cut-off point for employers concerned mainly with the cheapest form of labour.

A number of economic analyses have been undertaken in the last couple of years to try to determine the effects of junior wage rates on employment demand and on employer policies of substituting adult for junior labour and capital equipment for labour. For lack of adequate Australian information, much of the discussion has drawn on overseas, particularly U.S. analyses and data (see, for example, Miller 84/AB:21; BLMR 84/AB:19). Many of these studies show conflicting results and, in any case, the conclusions drawn are or may be not relevant to the very different wage and wage-fixing structures of Australia.

Such analysis as has been carried out in Australia seems to indicate, as one might expect, that a rise in teenage wages means a drop in teenage employment. Miller estimates that a 5 per cent cut in teenage wages could be associated with an increase in teenage employment to the extent of a reduction of 4 per cent in the unemployment rate. BLMR in Chapter 7 of its report (84/AB:19) examines the Australian data including three studies recently undertaken or sponsored by BLMR. It concludes:

> ... that the increases in youth wages relative to adults depressed youth employment levels, *ceteris paribus*, with the result that youth unemployment levels increased. However, the magnitude of this effect is not known. Increases in real wages may have decreased employment and increased labour supply and thus also added to unemployment, although no definite evidence on the magnitude of real wage effects is available.
>
> Finally, the effects will differ between different industries, occupations, age groups, education levels, etc. and be concentrated in the private sector rather than the public sector. (p.96)

Thus, given the multitude of awards and the considerable inadequacies in information on Australian practice identified by BLMR throughout its report, there is no definitive answer to the question how far youth wages have contributed to youth unemployment. In the public sector, where costs are not directly and immediately associated with hiring practice, youth employment has, as previously discussed, substantially declined in a period of general employment growth, indicating that other factors may be of greater importance than wages in the youth labour market.

The same may apply in the private sector also, but here there are indications that hiring practices, at the margins, are or can be influenced by costs. One such indication is 'the structural discrimination by employers against 18 year olds and upwards and in favour of 15-18 year olds' mentioned by Byrne in her study of the Community Youth Support Scheme (84/C:42, p.5), 18 years being the age at which the proportion of youth to adult wages has increased to roughly 75 per cent. Byrne continues:

> This is represented by the phenomena of seeking school-leavers of 15 or 16 years for jobs in retail distribution, supermarkets, clerical and office work and receptionists, and then sacking them at 18 years when they reach the adult wage and for no other reason than that the employer refuses to pay

> the adult wage. There is increasing field evidence that this is acting to the disadvantage of more young women than of young men at 18 years. (p.5). [See also Turner 83/AB:23, p.37: Too Old at Twenty]

Further insights are given by recent examinations of the Special Youth Employment Training Program (SYETP) which offered flat rate subsidies to employers to employ young people. Smith (83/C:50) comments that:

> Support for the proposition that Australian employers are behaving as economic theory and common sense suggest they should is found in: 1) the age distribution of the subsidized workers and 2) the reduction in participation following a large reduction in the size of the subsidy. (p.26-27)

The placements in standard SYETP in 1981 illustrate the point about age distribution:

15 - 17 year olds - 59 per cent
18 - 19 " " - 28 per cent
20 - 24 " " - 13 per cent

In the same period, Smith comments 'approximately 40 per cent of the long-term unemployed between the ages of 15 and 24 were in the ages 20-24 group' (p.27). The explanation for the focus on younger age groups is that 'the flat rate subsidy covers a smaller percentage of weekly earnings of the oldest eligible group' (p.28).

Smith also indicates as suggestive the fact that a sharp reduction in August 1978 in the subsidy rate and period was followed by a dramatic reduction in employer participation: from 22,494 subsidised teenagers to 10,376 (p.29). These developments can be suggestive only since inadequate information makes it impossible to draw more definitive conclusions about the extent to which the subsidy influenced employment patterns.

Hoy (84/C:3), summing up some of the conclusions of her review of five years operation of SYETP, states that:

> The flat rate subsidy for a fixed period of time for the **private sector** has led to:
>
> - a preference for the younger aged trainees in the target group
> - greater attraction for low-skilled (low-paying) jobs in high turnover industries
> - more placements of young females, in line with the industry take-up
> - a marked decline over time in the proportion of average junior wage rates covered by the subsidy
> - a narrow range of occupational skills.

Clearly, in some kinds of employment, youth wages are an important element in employment practices. They increase employment (mainly part-time) opportunities for younger teenagers at the expense of older ones. Subsidies to off-set wages costs will induce some employers to take on teenagers, often in place of older workers, but not to keep them when the subsidy lapses. In the overall structures of the labour market, however, it seems likely that youth wages are not a determining factor in employer decisions to employ or not to employ young people. Other factors are obviously at work in the case of public service employment and some further light may be thrown on these by a study of the decline of youth employment opportunities in the Commonwealth Public Service currently being undertaken by BLMR. Much more work needs to be done however in both private and public sectors before the importance of costs can be adequately assessed and an understanding of changing employment structures developed.

Young People and Jobs

There seems little doubt that opportunities for young people to enter the labour market direct from school have been declining during the last decade and are likely to go on declining. There will be few stories in years to come of the messenger boy who became head of the firm or the department, and this is not entirely because all those with ability and initiative nowadays go on to tertiary or further education. Anderson and Vervoorn (83/AB:130) indicate that access to the privilege of tertiary education and its rewards is still difficult for those from low socio-economic groups, and studies of school alienation and early school leavers demonstrate that the school remains an efficient, social filtering device (see Clearinghouse Newsletter, November 1982, p.29-49; February 1983, p.21-47). A large part of the difference today is that the job entry opportunities are no longer readily available for those who have not done well in school to demonstrate their capacities in work.

Employers, faced with large numbers of applicants for small numbers of jobs, naturally enough choose those whom they see as potentially the most productive and least disruptive: they tend to choose experience, maturity and a proven work ethic. In young people, employers see the untried and the potentially ill-fitting and consider also the nuisance and extra effort required to induct and train. Such considerations may well outweigh the marginal savings in cost to be gained from junior as opposed to adult wage rates - except in those jobs where training is minimal or non-existent and where the cheapest labour is required.

Against this background, what employers say about young people cannot be taken entirely at face value. Even ignoring the many qualifications which must attach to the studies summarised here, there are a number of other considerations which indicate a need for some caution - even scepticism - in accepting criticisms of the quality and standards of young people today. Firstly, it is a well known fact that in attitudes and behaviour young people always fall far short of the standards set by their parents when they were young. Four thousand years ago, a Sumerian father's chiding of his son was recorded on stone in hieroglyphics: 'If only you would stop hanging round the square and wandering up and down the streets. Go to school. Night and day you waste your time having fun'. And Socrates is reported as complaining: 'Our youth now loves luxury. They have bad manners, contempt for authority, disrespect for older people'. Attitudes have not changed much in the intervening centuries and something of the same air of older generation disapproval clings to many of the reported comments of employers.

Secondly, there is more than a hint of rationalisation in the criticisms of young people. Committed to choosing mature and experienced employees or substituting capital for labour, employers (like many other people) tend to look for acceptable reasons for doing what economics and inclination dictate. Yet as the studies show, they are not unaware of the levels and effects of youth unemployment. In these circumstances, it can then be a consolation to feel that the reasons lie not in economic trends or their own industrial policies but in the inadequacies of the young themselves.

Thirdly, there is evident in many comments a considerable element of double-think which divorces the particular from the general. Much if not most of the criticism on literacy/numeracy, attitudes to work, reasons for youth unemployment is in the form of general assertions about young people and contradicts the fairly high levels of satisfaction with their own employees. Given this ambivalence, it is pertinent to ask how far employer criticisms of young people reflect the consistent media attention to such comments made by politicians and others over the last decade. Criticisms and denunciation being always more newsworthy than approval and non-controversial statements, the media have become a most important influence in the formulation of public opinion. Criticisms repeated and reported often enough acquire a validity in popular opinion which may have little basis in reality. A 1978 survey[8] among parents of school-children on standards of literacy and numeracy produced the interesting finding that:

> Most parents were of the opinion that their daughters and sons received sufficient education in the basic skills to ensure that they were literate and numerate; they were not so sure that other people's sons and daughters achieved such skills.

It is then perfectly possible to believe that your own first-hand experience is the exception to the general rule which the media and public comment assert repeatedly and with such assurance.

Most of the studies summarised here were undertaken at a time when the explanations for youth unemployment were being sought, as a matter of policy, not in the economic trends but in the shortcomings of the labour supply. Senator Carrick, introducing the School-to-Work Transition Program in November 1979, presented it as a program to provide education and training which would make unemployment 'the least acceptable alternative'. The approach was based on the assumption that the reasons for youth unemployment lay in low standards of literacy/numeracy, inadequate preparation for work, an unwillingness among young people to take jobs. The first two of these made young people unacceptable to employers; the third made them dole bludgers. The complementary assumption was that the jobs were there waiting for those who wanted them. Given the consistency with which these assumptions were repeated as unquestioned fact, it is hardly surprising that employers find among young people what they have been lead to expect that they will find - even if their own employees do not bear out the rule.

This focus over the last decade on the shortcomings of the youth labour supply is reflected in the lack of research interest in what is happening in the youth labour market. It is reflected also in the kinds of programs provided to improve the situation for young people. In these

also the focus has been on training; the assumption, despite massive evidence to the contrary, has been that the jobs are there for those with the right attitudes and skills. Taylor, in the Review Paper section of this Bulletin, points out the fallacies inherent in expectations that, while everything else changes, jobs remain the same. Such an expectation lies behind many of the labour market/supply programs which have been directed to jobs in industries that are declining, occupations that no longer exist as career paths, skills that are in over-supply or obsolete.

No amount of marginal tinkering with labour market programs is likely to make much impression on the directions in which the society is involuntarily and inexorably moving. And these directions are towards a two-class society: the employed and the unemployed. Already, those in employment are comparatively affluent and comfortable; those without employment are either adapting to a cheerless fringe existence or storing up resentments and frustration which may in the future make life a little less secure and comfortable for the fortunate.

The problems of the youth labour market are part of the wider structural problems of a fundamentally changing society. They cannot be addressed or even comprehended by the traditional compartmented approaches to policy-making and implementation which cannot, by their structural and administrative nature, take account of relationships between one set of problems and another. Nothing less will do than a comprehensive and honest reappraisal of the place of paid employment in the life of the individual and of the society; its importance to individuals in status, identity and the structuring of time; its use by the society as the prime method of income distribution. Such a reappraisal can only be based on an understanding of the changing labour market and of attitudes to work and this, in turn, urges a coherent program of research into both the demand and the supply sides of the labour market.

In the meantime, there is sufficient evidence available to justify some immediate action which might include:

- a media campaign to bring popular perceptions of the youth unemployment issue closer to reality
- policies to encourage investment in labour rather than or (at least) as well as capital equipment; should there, for example, be an investment allowance for labour instead of payroll taxes and capital investment allowances?
- a coherent set of programs embracing education and training, complemented by measures to require as well as encourage employers to recruit and train young people.

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3. S.A. COUNCIL ON TECHNOLOGICAL CHANGE. Annual Report. Adelaide, S.A.: Ministry of Technology, July 1983 [19p.]*

4. WILLIAMS, J. and T.A. PRIEST. The Attitude of Employers to School Leavers in Western Australia. Co-operative Research Series Report No. 2. Perth, W.A.: Education Department of W.A., 1978 [101p.] (See Annotated Bibliography A46).

5. This study used multiple regression techniques to analyse survey data.* Conclusions concerning the effect of A on B are qualified by the statement 'all other things being equal'. The study controls for an impressive array of other things e.g. social class and scholastic ability; nevertheless there always remain 'other things', for example sort of parents who pay fees for their children's schooling may be determined or have the connections to secure favourable outcomes irrespective of the quality of schooling.

6. BLMR 84/AB:19, 20. Also Reference No. 7 below.

7. PITMAN, David. The Determination of Junior Wages in Australia: Needs, Work Value and Employment. Conference Paper No. 26. Canberra: BLMR, Department of Employment and Industrial Relations, August 1983 [40p.]*

8. COX, Lenore (co-ordinator). Parents Say... A National Survey of Parent Opinion Regarding Education of Girls. Canberra: Schools Commission, 1979.

* An Abstract will be made for a future issue of the Clearinghouse Abstracts.

STATISTICS ON YOUTH EMPLOYMENT

*by Moira Rowland**

Sources: The Census

From time to time those writing for the National Clearinghouse draw attention to gaps in the available statistics on youth employment, and to inconsistencies between series published by different government agencies. Evidently researchers feel that they need more and harder information to help them to construct stronger hypotheses, and those concerned about the possible social effects of long-term joblessness feel that they need more factual evidence to back up their recommendations. Against this it could be argued that quite enough is known already to show that there is indeed a crisis in current levels of youth unemployment (indeed, of unemployment in general), and that what is needed is not more statistics but positive action to provide permanent jobs. However, there certainly are gaps and inconsistencies and whatever one's view of relative priorities it is worth considering how the statistical material now available could be improved without too much cost to the taxpayer. The necessary improvements might even create a few permanent jobs.

Even the most critical would probably agree that the Australian Bureau of Statistics (ABS) have been industriously widening the scope of their labour force publications, and that they go to a great deal of trouble to explain the precise limitations of what is published. Critics would also probably admit the inevitability of difference between the definitions used by the ABS and those used by each of the other agencies involved, the Department of Social Security (DSS) and the Commonwealth Employment Service (CES). For example, a married woman counted as unemployed by the ABS is not eligible for benefits from the DSS and may or may not be registered with the CES. Conversely, someone who has just found work may still be listed by the CES although no longer eligible for benefits and regarded as already employed by the ABS.

It is possible to use the 'other' agencies to collect statistics not directly relevant to their work, but the definitions they use are to a large extent pre-determined by that work, and for the present exercise it will be assumed that any improvements are to be made in the figures published by the ABS and in the definitions.

The ABS employment statistics are derived from two main sources, the five-yearly censuses involving the enumeration of the whole population, and the monthly Labour Force Surveys based on sample populations. (The 1976 Census was a strange hybrid; it was conducted as usual but then for economy reasons only half the replies were processed.) Censuses are already unpopular with the general public, and more frequent ones would probably meet with considerable resistance, so the combination of censuses every five years and surveys every month seems the ideal solution, but unfortunately the resulting sets of figures are not

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* *National Clearinghouse for Youth Studies*

compatible. The ABS themselves warn that 'although the broad concepts ... are similar ... there are considerable differences' and that 'these considerations should be borne in mind if comparisons are made between population census and labour force surveys'. Anyone who has actually tried to establish a link between the two sets of figures would probably express the warning in stronger terms.

The ABS are at present engaged in preparing the questions to be asked in the 1986 Census, and although they are themselves very much aware of the problem of compatibility with Labour Force Surveys any researcher who is particularly anxious to work on both sources together would be well advised to talk his problems over with some friendly member of the ABS and to do so as soon as possible.

It would be equally possible to adapt the surveys to meet the Census at least half-way, but it is probably better to leave the surveys much as they are (though with additions and minor changes as mentioned below) since there are by now reasonably consistent series going back eight years and rather less consistent ones going back as far as 1966.

However, since even foggy moving pictures are often more useful than snapshots, the results of the 1986 Census ought if possible to be made compatible with the results not only of the surveys but also of earlier censuses. Unfortunately these are already a very mixed lot, and it is probably not practical to aim at a 'census series' on employment, though it is certainly worth hoping that there will at least be compatibility with the 1981 Census results, even if this may require some raw material to be processed twice and thus take time and cost money.

Although the earlier censuses vary a great deal, there is undoubtedly a quantity of labour force information hidden away in them, especially information about small local areas. Where the 'right' questions were never asked there is clearly no hope of digging out the 'right' answers, and even if the raw material could somehow be recycled into greater usefulness it would be a lengthy and expensive task. Probably the most that the ABS can reasonably be asked to do is to look at their storehouse in the light of present interests and give some kind of estimate of difficulty and cost of producing specific cross-tabulations.

Sources: Labour Force Surveys (LFS) and Others

The monthly Population Survey, of which the LFS is one section, covers about two-thirds of one per cent of the total population (as it is household-based there is no precise coverage in terms of people). This represents a sample of about 100,000 out of fifteen million, which is commendably large - public opinion polls pride themselves on samples of one to two thousand - but it is still not an enumeration, and the results are therefore subject to sampling error, which means that the smaller the final figure the greater the chance that it may be inaccurate. This is why the ABS so often print a star instead of a figure, and also why politicians are on shaky ground if they claim that a small improvement in one statistic justifies their economic policies. In their technical notes to Labour Force Australia, catalogue 6203.0, February 1984, the ABS regularly give examples of possible effects of sampling errors, and reading these notes is a salutory experience. The second example in the February 1984 issue records that the decrease from January to February in the number of unemployed males looking for work is estimated at 10,800. The note then discusses the possible effect of sampling error; when

translated this shows there is one chance in three that the decrease could have been over 16,000 or under 5,000, and one chance in twenty that it could have been as much as 20,000 or alternatively could have been a small increase.

There is also the possibility of ordinary non-sampling error, either in the replies themselves or in the way they are coded or processed; censuses are also subject to non-sampling error, though it could be argued that unless there is some definite bias the larger the population the more errors will tend to cancel each other out. Moreover, in a survey the results cannot simply be multiplied up to scale; elaborate corrections have to be made for age and sex distributions where these differ from those in the population as a whole. This is one reason why the February 1984 issue of Labour Force Australia contains a sizeable appendix with revised versions of the two main tables from 1978 to the present. What happened was that the 1981 census showed that the elaborate corrections being applied to the LFS results were themselves inaccurate, being based on up-dated figures from the 1976 census. And that in turn is why the careful researcher will often go to considerable trouble to be sure that even the earliest figures used are those from the latest available publication. (The other reason for the sizeable appendix is the annual revision of the seasonal corrections, but that is a whole other story and too long to be gone into now.)

Although the LFS is itself monthly, some of the information collected (about employment by industry and occupation) is published quarterly. There are also several supplementary household surveys which are conducted regularly and which give additional information about youth in the labour force; the chief one is probably Transition from Education to Work (6227.0). Finally there are 'special' supplementary surveys, some of which contain useful information about youth, although they all suffer from being 'special' and appearing only once. Finally there are the employer-based surveys used chiefly to obtain information on earnings, hours and also on salaries. A list of the relevant ABS publications, including supplementary surveys is given at the end of this paper and shows that the ABS do indeed supply a vast amount of information.

What additional information can usefully be requested? In theory it is possible to add any number of extra questions to any of these ABS surveys, but in practice there are limits, one obvious restraint being cost (in the processing more than in the collecting) and another being the burden on respondents and hence on their willingness to take part. Also, as already explained, the smaller the figure resulting from a sample survey, the more it is likely to be inaccurate, so that obtaining detailed information about small groups may be impossible or self-defeating.

Adding a totally new question to a survey will not show results for some considerable time, apart from the first snapshot, so it is worth investigating what additional information can be extracted from material already available. The ABS say they will provide on request 'other unpublished data from labour force surveys, including more detailed cross-classification of revised estimates back to February 1978'; the tables they publish give good indication of what other cross-clarifications are likely to be available, and reading the actual questions asked (catalogue 6232.0, issues in March 1978 and December 1981) will suggest what else can be requested. One classification that ought to be published and not just made available is a combination of Tables 17 and 18 in Labour Force (6204.0) to show part-time workers by age, hours

worked and whether wanting to work longer.

The next easiest request to make is to have one of the 'special' supplementary surveys repeated. A good example is Working Conditions (6335.0) which covers a period from February to May 1979, and includes material relevant to why teenagers seem to some observers to suffer from many short spells of unemployment rather than from few longer spells (see Newsletter, November 1983, Part 2, p.79-80).

This is related to another gap, concerning the duration and number of periods of employment and unemployment. Probably longitudinal studies are needed in order to settle this group of problems, but meanwhile it should be possible to make some progress simply by putting a more detailed question into the LFS questionnaire. The results could be tabulated by single years of age from 15-19, since these are already available in the survey.

Other additional information related to the pattern of teenage unemployment is how employers see their young employees and the younger applicants for jobs. The ABS already conduct several employer-based surveys but these relate mostly to earnings and hours. What would be very valuable would be the employers' side of the kind of material to be found in Working Conditions (6335.0). There have been smaller scale surveys of employers' opinions, notably those carried out by the Bureau of Labour Market Research in connection with SYETP and other schemes, but possibly the ABS could be persuaded to carry out a more generalised survey.

There are certainly other gaps in the information the ABS is already providing, but more important is the almost total absence of material on the demand side of employment not just in the sense of employers' attitudes as suggested above, but as affecting total demand for labour. There have been several useful enquiries into the effects of adopting the new technologies (see Abstracts, February 1983) but as yet no-one seems to have approached the question with a general survey of all employers, including the Public Service. It would be fascinating, if also perhaps depressing, to know how many firms were preparing to introduce the latest office equipment and precisely what their office staffing plans for the next few years were. At the same time that these technologies are being introduced the Financial Review regularly has two half-columns of take-overs in progress, and each take-over threatens at least a few jobs in management and possibly many more at all levels. Some bank employees have to face both threats at once. Yet there is still an extraordinary absence of hard information about the concentration of firms and enterprises and the results on employment in Australia.

From gaps to definitions, but to compare all the definitions used in different series of employment statistics would take several more pages. The one simple reform to be achieved is the revision of the ABS definition of employment, and hence its definition of unemployment. At present the ABS, apparently following the International Labour Office, define as employed a person who worked for one hour or more during the survey week. An unemployed person is consequently a person who was not employed and was looking for work. The effect of this definition can be seen from Tables 7 and 17 in Labour Force (6203.0) for February 1984. There were 798,400 teenagers in the labour force, 590,600 of them 'employed' and 207,800 unemployed, giving an unemployment rate of 26 per cent (these are all original figures, not seasonally corrected). However, of the employed, 429,600 were employed full-time (i.e. they usually worked at least 35

hours a week) and 160,800 employed part-time. Of these 52,900 preferred to work longer hours. Unfortunately the published table does not give the cross-classification by hours worked as well as age and whether or not they preferred to work more hours, so there is no way of telling from this particular publication how many of the 52,900 who wanted more hours were simply hoping for more pay or were in fact unemployed to any eyes but those of the ABS. If all of them were added to the numbers of unemployed it would put up the unemployment rate to 32 per cent. If only the 27,700 of them who 'had actively looked for full-time work' were included in the unemployed, it would give a rate of about 29 per cent. There may be no easy ways of identifying the hidden unemployed, but it would at least help if the ABS, while maintaining their present definition for purposes of comparison, would create a new definition according rather better with most people's perception of when a person counts as 'employed'.

Attachment I

ABS surveys with information about young people and their labour force status

(preliminary reports are not listed separately but the Catalogue number is given in parenthesis)

(6202.0)	6203.0	Labour Force Australia (monthly, extra tables quarterly)
	6204.0	Labour Force Australia (annual - not a separate survey but gives figures for earlier years as well)
(6205.0)	6206.0	Labour Force Experience (supplementary annual survey, covers employment and unemployment patterns)
(6208.0)	6209.0	Labour Mobility (supplementary annual survey, covers change of jobs, their number and duration)
	6216.0	Multiple job-holding (supplementary survey, biennial?)
(6219.0)	6220.0	Persons not in Labour Force, including Discouraged Job-Seekers (supplementary, twice yearly, but gap at present)
(6221.0)	6222.0	Characteristics of Persons Looking for Work (supplementary, annual)
	6224.0	Labour Force Status and Characteristics of Families (derived from main Labour Force Survey, annual)
(6241.0)	6227.0	Transition from Education to Work (supplementary, annual)
	6231.0	Job Vacancies (employer-based survey, quarterly)
(6240.0)	6235.0	Labour Force Status and Educational Attainment (supplementary, annual)
	6242.0	Career Paths of Persons with Trade Qualifications (special supplement)

(6244.0)	6245.0	Methods of Obtaining Jobs (supplementary, annual?)
(6301.0)	6302.0	Average Weekly Earnings (employer-based, quarterly)
	6304.0	Employee Earnings and Hours (employer-based, now biennial)
(6305.0)	6306.0	Earnings and Hours, Distribution and Composition
(6309.0)	6310.0	Weekly Earnings, Distribution (supplementary, annual)
	6312.0	Award Rates of Pay Indexes (collected by ABS, monthly)
	6330.0	Overtime (employer-based, quarterly)
(6333.0)	6334.0	Employment Benefits (supplementary, annual?, covers non-wage benefits)
	6335.0	Working Conditions, Australia (special supplement)
	6341.0	Alternative Working Arrangements (special supplement)
	3408.0	Internal Migration (movements and labour force status, annual)

REVIEW PAPER NO. 12

PERSPECTIVES ON JOB CREATION

A Collection of Papers by Different Authors

May 1984

CONTENTS

1.	*Taylor, Michael*	THE DEMAND SIDE OF LABOUR MARKETS: BUSINESS ORGANISATIONS AND SEGMENTATION IN AUSTRALIA
2.	*Edwards, Paul*	CREATING GRASS ROOTS EMPLOYMENT (WITHOUT EXTRA FUNDS)
3.	*Allen, Peter*	JOB CREATION FOR DISADVANTAGED WORKERS
4.	*Thomas, Claire*	DIRECT PUBLIC SECTOR JOB CREATION: IMPLICATIONS FOR YOUTH
5.	*O'Brien, Tom*	JOB GENERATION: AN ORGANISATIONAL STRATEGY TO CREATE LONG-TERM EMPLOYMENT
6.	*Horinek, Josef*	SOME PERSPECTIVES ON THE ROLE OF LOCAL GOVERNMENT IN JOB CREATION
7.	*Kenyon, Peter*	THE COMMUNITY EMPLOYMENT INITIATIVES UNIT: A WESTERN AUSTRALIAN GOVERNMENT PROGRAM
8.	*Blakers, Catherine*	THINKING ABOUT JOB CREATION

FOREWORD

Judging by material coming in increasing quantities to the Clearinghouse, Job Creation has become an issue of wide interest to governments at Federal, State and local levels as well as to community groups, all of whom see in this issue some potential for helping unemployed people, particularly those who have had and are likely to have few prospects in a declining job market. This Review Paper presents a number of different perspectives on Job Creation, contributing, we hope, to the development of clearer concepts of both the potential and the limitations of policies and practice in this area.

By way of setting a broad context for the more focused discussion of later papers, Michael Taylor analyses the patterns of rise and fall in business organisations which significantly affect the dynamics of local labour markets in Australia and, consequently, the potential for job creation. He emphasises the need for much more attention to be paid in research and information to developing an understanding of how labour markets function and the implications for demand. Paul Edwards, in the second paper, puts an employer viewpoint on the need to foster Australian enterprise in the growth industry of computer equipment which can provide a range of jobs for young people.

Peter Allen, using the experience gained by the Brotherhood of St Laurence in its own job creation projects and evaluations of them, argues the need for and value of job creation measures - whether in the private or public sectors - and discusses ways of implementation. In the fourth paper, Claire Thomas outlines the findings of an evaluation of the Victorian Employment Initiatives Program (conducted by the Institute of Applied Economic and Social Research for the Ministry of Employment and Training). This indicated that the young long-term unemployed benefited personally and in employment outcomes from the experience associated with simply having a job and gaining access to employment networks.

Tom O'Brien bases his paper on his book, Job Generation (83/C:1). He argues the need for a broad approach to the issues of job creation and outlines a structure which would relate the responsibilities of the three levels of government and provide local government with expertise and influence in expanding employment opportunities. In the sixth paper, Josef Horinek, from his experience as Youth Employment Project Officer with the Western Sydney Regional Organization of Councils, discusses the role of local government in job creation and the constraints which prevent more effective use of employment schemes such as the Community Employment Program (CEP). Peter Kenyon, describing the work of the newly established Community Employment Initiatives Unit in W.A., indicates very clearly the range of action needed if any co-ordinated and serious attempt is to be made by governments to encourage the development of employment opportunities which are likely to be enduring and self-sustaining. In the final paper Catherine Blakers tries to put together some of the thinking which may be behind the interest in job creation.

THE DEMAND SIDE OF LABOUR MARKETS: BUSINESS ORGANISATIONS AND SEGMENTATION IN AUSTRALIA

by

*Michael Taylor**

The purpose of this paper is to elaborate a set of ideas relevant to a demand side interpretation of labour markets. The vast majority of labour market studies have been supply side analyses and a major shortcoming of this approach is that the primary focus of attention is the individual job or the individual community with concern being directed to the individual's involvement in an anonymous and, in fact, ambiguous external aggregate, the workforce. A result is that labour market studies become preoccupied with such admittedly important issues as youth unemployment, unemployment in general, participation rates and women's issues. This supply side preoccupation is clear in the U.K., for example, where an inordinate effort has been expended on defining and mapping labour market areas for the whole country. A demand side approach, which is advocated here, would shift attention to the operations of the plants, establishments, office and business organisations in general within which jobs exist and where demand for labour is both created and destroyed. Attention is shifted to these organisations since they are the decision-making units, the points of production, the crucibles within which macro and micro forces in the economy meet and are played out. Put simply, jobs come in aggregates of businesses. They have no autonomous existence outside them. Jobs outside this framework are simply unemployment statistics.

Supply side analyses have generated very specific ideas about jobs. When, as has happened, jobs are disembodied and removed from their enterprise and business organisations setting, there is a tendency to assume that a job once created is a job for ever; it is invested with an autonomous existence. The regional development literature illustrates this point only too well and for a long time in the U.K., for example, regional development policy conferred Development Area status on a region when unemployment was greater than 4 per cent. When unemployment fell below that magic number Development Area Status was lost. In short, import jobs (any jobs) and a regional economy thrives. The same spurious reasoning underlies the Albury-Wodonga growth centre strategy.

Only jobs are ever looked on in this way which is surprising when they are being replaced so rapidly by capital in the shape of new technology. Capital investment is amortised, written-off over time, but jobs are not. It is pertinent to ask why not? If a plant's technology becomes obsolete and is scrapped why not the jobs associated with it - both the production jobs (operatives) and control functions (administration and management). A job created in some workplace may only be a job for 2, 5, 10 or even 20 years. Perhaps attitudes need to change to see jobs constantly being amortised but at the same time constantly being

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generated. In both quantity and type, however, what is lost may not balance what is created. The current crisis sees job losses outstripping job gains and an accelerating demand for managers and technicians accompanying a parallel process of deskilling.

The proposition advanced in this paper is that there is a consistent pattern in this process of job creation and job destruction in business organisations. Central to this proposition is the contention that different types of enterprise, be they small firms, subsidiaries within groups, branch plants or divisions of multinationals for example, provide jobs of very different types which are made available for varying lengths of time before they are 'written-off' by the organisation concerned. This 'writing-off' process is only too evident in:

- firm failures
- rationalisation strategies (frequently following takeovers)
- restructuring to take on new technologies.

The different types of plant and business organisation that make up an economy are referred to here as a pattern of segmentation. A segment (not to be confused with a sector) therefore comprises **a number of separate business organisations with similar structural characteristics which occupy a specific niche within an economy.** These segments have particular labour demands and distinctive labour dynamics.

Against the background of this set of propositions, the remaining sections of this paper address four issues: the pattern of segmentation that can currently be distinguished using international evidence, together with the dynamics of this pattern; the nature of the demand for labour in these different segments; the operationalising of such a segmentation analysis for Australia; and a demonstration of the geographical consequences of business organisation segmentation within Australia. Through these analyses, reported only briefly here, it is hoped to create a better appreciation of demand side issues in labour market analysis.

The current pattern of business organisation segmentation

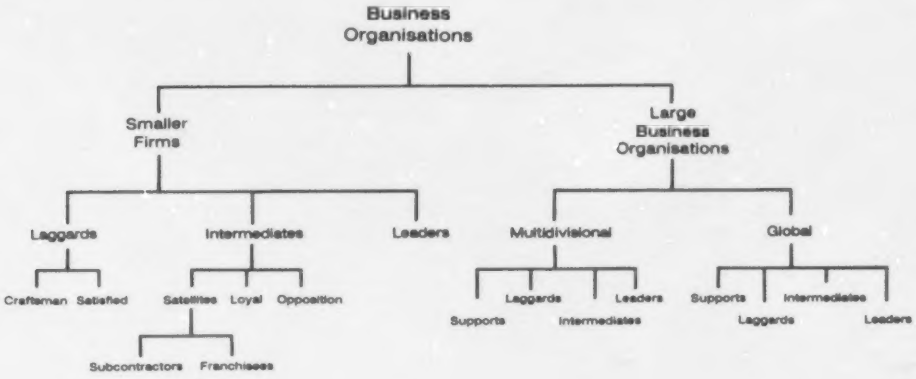
The current pattern of segmentation will be only briefly described here (for a fuller specification see Taylor and Thrift, 1983). At the heart of this pattern is differential access to resources, with resources being defined very broadly to include finance, personnel, materials, technology and information; indeed anything that can be exchanged or transmitted between organisations. There is therefore an asymmetry of relationships between the 'haves' and the 'have nots' - unequal power relations which lead to the subordination and eventual demise of the 'have nots' and the expansion of the 'haves'. This is the fundamental dynamic that underlies any pattern of business organisation segmentation. At present the asymmetry of relationships is evident in:

- the bargaining process between firms before contracts are entered into which are then sanctioned by company law
- access to finance and the often cited equity 'gaps', venture capital 'gaps', and other finance 'gaps'
- differential costs of external finance which encourage small firms to overtrade, thus promoting their bankruptcy
- manipulation of trade credit

- the composition of boards of directors
- differential tax burdens which hit small firms hardest
- subcontract systems operated to large firms' advantage.

These pressures create a basic dichotomy between **smaller firms** (usually operating at a single site) and **large business organisations** (comprising groups of companies operating at a number of sites). However, a number of quite distinct segments, or sets of enterprises, are discernible within these two broad groups. At least thirteen segments can be distinguished at present, each with access to very different resources and, therefore, wielding very different amounts of power and authority in the dealings into which they must necessarily enter (Figure 1).

Figure 1: THE CURRENT PATTERN OF ECONOMIC SEGMENTATION



There are, at present, five distinctive types of small firms. The LEADER smaller firms are often the outcome of one man's inventiveness but are also very fragile. They have difficulty in obtaining risk and venture capital, are prone to takeover because of the new ideas, the new technologies or the new markets they create, and are extremely vulnerable in economic downswings. LOYAL OPPOSITION smaller firms occupy specialised niches in an economy which have been either overlooked by larger corporate organisations, are too small to interest large organisations or are areas from which large organisations are legally proscribed. SATELLITE smaller firms, in contrast, are locked into the operations of corporate enterprises through licensing, franchising and especially subcontracting. SATISFIED smaller firms comprise that not inconsiderable group of small businesses run by people who are reluctant to relinquish personal control by expanding. At one time they may have even been LEADERS. Finally, CRAFTSMAN smaller firms are frequently established by people with skilled blue collar backgrounds who know how to make some product or part but have no real commercial expertise to back it up. This specification is obviously grossly abbreviated. It does, nevertheless, give some of the flavour of smaller firms segmentation basic to the argument being developed here.

Large business organisations divide into two broad segments: the multi-divisional corporations and the global corporations. Dealing first with the multidivisional segment, the constituent parts of these business organisations can be further divided into LEADER, INTERMEDIATE, LAGGARD and SUPPORT facets (Figure 1). They may be separate companies or subsidiaries within some groups or they may be branch plants or divisions in others. The LEADERS in this context develop new products or markets to sustain the larger organisation's long-term growth. They are, in some cases, regional or national headquarters and their demand is for technical know-how and management expertise. INTERMEDIATES in contrast are, at a given time, the commercial core of the organisation generating the bulk of its profits from established products or in established markets. LAGGARDS, however, are in the business of extracting what profit remains in near obsolete products or contracting markets. Their principal preoccupations are production costs, process technology and automation. SUPPORT companies fulfil a very different function. Some supply specialist components, but most frequently they supply managerial and technical services at the intra-organisational scale and are, therefore, fundamental to the operation of transfer pricing mechanisms in multinational enterprises.

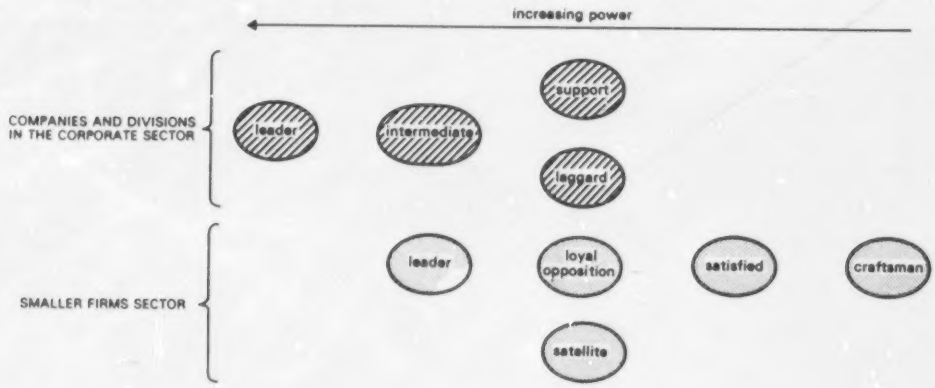
Any one corporation will contain a mixture of these four elements. Through time new products, for example, can be envisaged as shifting from LEADER to INTERMEDIATE and finally to LAGGARD plants in a corporation, in line with a product cycle model, or simply the status of a plant may change. A corporation can also modify its mix of these segment types through new company formation, takeover, merger, sale or closure. The aim of the corporation is, however, directed to keeping its centre of gravity forward towards the leader elements, discarding laggard elements where possible and not infrequently disposing of them to the State.

The newer and much larger global corporation can be thought to comprise companies, subsidiaries, branches and divisions which also fall into these LEADER, INTERMEDIATE, LAGGARD and SUPPORT categories. Spatial diffusion into more and more countries is no longer a strategy open to these organisations and so there is a tendency for them to adopt a process of continual locational reselection and rationalisation. Their continued existence depends on rapid and efficient internal communication. Indeed, within them, it can be suggested long-term strategy has become subordinated to short-term tactics. The LEADER, INTERMEDIATE, LAGGARD and to some extent the support components of which they are made up have become no more than investment opportunities to be weighed, used and transferred in a bid to maximise global returns and minimise global tax burdens. The whole structure of global corporations can, therefore, be regarded as leader, intermediate and laggard companies (the expedient investments) linked through support operations (regional and corporate offices) and carefully orchestrated through transfer pricing mechanisms.

Returning to the notion of power networks based on the control of resources, this very brief description suggests two separate but related power continua: one depicting **intra-organisational centrality** and the other depicting **inter-organisational centrality**. These power relations are shown diagrammatically in Figure 2. The implication of this schema is that peripherality on either scale is associated with the longevity of the organisations in a particular segment and hence the length of time that jobs are made available within them. At the intra-organisational scale

the proposition is well illustrated by changes in Australian trading banks where, following computerisation, jobs have been and are being created in regional control centres (support operations) while bank branches (the laggard ends of the banks) are being closed, and the jobs in those branches are being lost and deskilled. At the inter-organisational scale the impact of peripherality is associated with the propensity of the very smallest and most peripheral to fail altogether.

Figure 2: POWER RELATIONS AND ECONOMIC SEGMENTATION



However, although jobs may be provided for very different lengths of time depending upon the centrality or peripherality of a business organisation, it is also clear from existing studies that there are great differences in the types of jobs provided in the segments described very briefly above. It is to these qualitative differences that attention is turned in the next section.

Business organisation segmentation and job type

Business organisation segmentation and its dynamics are important determinants of the types of jobs made available in communities. These differences between segments depend on their needs and, especially within large business organisations, their positions within power networks; i.e. their roles.

The great variations in the needs of the different segments of large business organisations have been demonstrated recently (Table 1). In leaders the greatest demand is for capital, skilled labour and technical know-how. Intermediates are more concerned with capital and management, while laggards are predominantly concerned with the acquisition of unskilled labour. These differing needs also occur in the smaller firms segments.

A recent, and as yet unpublished, analysis of electronics enterprises in the U.K. in the mid-1970s, gives a fuller picture of variations in the types of jobs provided in different segments (Table 2). Unfortunately,

TABLE 1: THE RELATIVE IMPORTANCE OF VARIOUS FACTORS IN THREE LARGE BUSINESS ORGANISATION SEGMENTS

Needs	LEADER	INTERMEDIATE	LAGGARD
1. Management	2	1	3
2. Technical know-how	1	2	3
3. Skilled labour	1	2	3
4. Unskilled labour	3	2	1
5. External economies	1	2	3
6. Capital	3	1	2

SOURCE: Taylor and Thrift (1980)

NOTES:

1 = most important
2 = average importance
3 = least important

TABLE 2: BUSINESS ORGANISATION SEGMENTATION AND JOB TYPE: THE UK ELECTRONICS INDUSTRY, 1974

(mean values of response variables, parametric one-way analysis of variance)

	CORPORATE[a]				SMALLER FIRM[b]				
	ld	im	lg	sp[c]	ld	lo	sl	st	cf
per cent operatives	58	59	81	.	56	73	64	75	77
per cent engineers	24	7	6	.	12	7	3	6	8
per cent commercial	9	13	6	.	12	5	3	3	0
per cent sales	2	2	3	.	3	3	0	1	0
per cent R & D	11	3	2	.	3	3	1	1	2
ratio commercial: total admin.	20	42	93	.	15	17	9	10	0
ratio sales: total admin.	3	5	6	.	5	8	0	2	0
ratio sales: commercial	23	31	35	.	22	30	0	25	0
ratio engineers: operatives	55	17	10	.	38	11	5	9	14

SOURCE: Taylor, M.J. and Thrift, N.J., 1984, unpublished manuscript.

NOTES:

[a] ld = leader; im = intermediate; lg = laggard; sp = support

[b] ld = leader; lo = loyal opposition; sl = satellite; st = satisfied; cf = craftsman

[c] = no corporate segment support operations were covered in the survey

the survey reanalysed to produce this table covered no support segment organisations. The details of variation are, however, only too clear, and are plainly related to function.

The proportion of operatives in an organisation's workforce is a reflection of what is usually referred to as the administrative ratio. In the corporate segment the predominance of operatives is overwhelming in the laggard organisations, highlighting their peripheral position in the organisations to which they belong and their essentially production orientation. The smaller firms segments as a whole support less of an administrative superstructure although this is not the case for leader small firms. Leader small firms put more effort into administration especially into commercial and technical fields, indicating the commercial as well as the technological foundations to their growth. Adding to this point, it is striking that engineers are particularly significant in the leader segments of both the corporate and smaller firms segments, with Research and Development (R & D) activity, when measured by employment, being especially pronounced in corporate segment leader organisations. This tendency towards technological innovation, or at least the existence of conditions likely to foster it, in leader organisations of both the corporate and smaller firms segments is reinforced by the ratio of engineers to operatives - an index of the technical backup to production.

Three variables in Table 2 also measure the structure of administrative employment; the ratio of commercial employment to total administrative employment, the ratio of sales employment to total administrative employment and the ratio of sales to commercial employment. For the corporate segments these variables create a consistent picture. Commercial and sale activities become more pronounced across the spectrum of segments from the leaders to the laggards. Within this trend, selling alone becomes more pronounced in the same direction. The inference is, therefore, that selling and commercial activities in organisations become progressively larger and more elaborate as the products being made become more obsolete and subject to progressively stronger competitive pressure.

The pattern across the same three employment variables for different types of smaller firm is less clearcut. On the one hand, commercial and sales functions tend to be better developed and more fully staffed in loyal opposition enterprises and to be poorly developed, if present at all, in satellite and craftsman smaller firms. Respectively, (a) the need to service market niches, and (b) subordination within power networks (often through subcontracts) accounts for these patterns.

The presence in a region, district or labour market area of plants, firms and business organisations from various segments will, therefore, depending on the mix involved, endow those areas with very different labour dynamics and job opportunities. It remains to illustrate three propositions in the Australian context.

Business organisation segmentation in Australia

To apply segmentation propositions to the Australian economy it is pertinent to ask two questions:

- How do these segments map themselves onto the ground?
- What are the employment dynamics of these segments in Australia?

TABLE 3: CLUSTER DIAGNOSTICS - MEAN VALUES

		CLUSTER I	CLUSTER II	CLUSTER III
1.	Proportion of enterprise 0-49 empl.	79.4	74.7	87.2
2.	50-99 empl.	9.9	8.1	5.7
3.	100+ empl.	35.5	15.0	5.6
4.	Per cent V.A. in enterps. 0-49 empl.	4.6	9.8	28.4
5.	50-99 empl.	5.7	5.2	11.9
6.	100+ empl.	75.8	81.6	57.1
7.	V.A./employee by size class 6-49 empl.	23.7	18.5	14.3
8.	50-99 empl.	32.5	21.5	17.0
9.	100+ empl.	41.4	22.2	17.5
10.	Variable 9 minus Variable 7	16.0	1.7	3.1
11.	ABS coverage ratio	.88	.83	.87
12.	ABS specialisation ratio	.80	.80	.90
13.	Admin units per enterprise (%)	22.8	9.2	1.4
14.	Concentration ratio	.73	.39	.23
15.	Establishments per enterprise (number)	1.7	1.4	1.1
16.	Ave admin wage ($000)	16.2	14.1	12.0
17.	Ave production wage ($000)	14.6	11.8	10.0
18.	Per cent female workers	9.1	18.4	30.6
19.	Male workers per female worker (number)	35.1	5.4	2.3
20.	Turnover per employee ($000)	136.3	69.5	41.8
21.	Per cent working proprietors	0.1	0.4	1.6
22.	Per cent administrative workers	26.4	25.4	23.1
23.	Fixed cap. expenditure per employee ($000)	5.9	2.2	0.8
24.	Mean employment per enterprise (number)	244.0	92.6	33.0
25.	Employers contrib. to pension funds per employee ($000)	.65	.37	.27
26.	Royalties per employee	.31	.10	.10
27.	Depreciation per employee ($000)	2.2	1.0	0.5
28.	Rental and leasing payments per employee ($000)	.74	.54	.60
29.	Per cent turnover from 20 largest enterprises	88.0	71.5	45.4
30.	Per cent of top 20 turnover foreign owned	44.5	34.1	27.0

For Australia, comprehensive information on the types of business organisation comprising an economy does not exist. The most comprehensive data available are cast only at a **sectoral** level. It is possible, nevertheless, to translate the previously expounded propositions into a crude pattern of segmentation of industrial sectors. To effect this analysis in a preliminary fashion, attention has been further restricted to manufacturing industry within which 41 sectors have been recognised (Table 3). This modification of **segmentation** ideas to use **sectoral** data relies on a series of studies by Stinchcombe (1965) and Brown and Scheck (1979). These studies suggest that the structure of individual business organisations is closely (although not perfectly) related to the sectors within which they operate owing to:

- the sequential emergence of different types of industrial activity
- the types of organisation prevailing at a given point in time
- the demonstrable fact that, once established, business organisations adjust their structures only slowly and marginally if they adjust them at all.

In the present analysis it is suggested that individual sectors will contain a predominance of one type of business organisation or another. By defining the business organisation characteristics of sectors it might, therefore, be possible to assign individual sectors to different broad areas of the segmentation structure. To achieve this assignment 30 variables have been constructed for 41 manufacturing sectors in Australia, with these variables describing enterprise structures, employment structures and wage levels (Table 3).

To assign these **sectors** to broad **segments** of the Australian economy a range of statistical clustering techniques has been used which generates three interpretable clusters. The mean values for each variable in each cluster (the cluster diagnostics) are reported in Table 3.

Cluster 1 contains the largest, most capital intensive and concentrated enterprises, paying the highest wages, employing the fewest female workers and having the lowest proportion of working proprietors. These are the enterprises which are most frequently foreign-owned and have the most fully developed administrative functions. This is the cluster dominated by the multidivisional and global corporations and contains few, if any, smaller firms.

At the other extreme, Cluster III has the greatest proportion of the small and least productive enterprises, which are the least capital intensive, have the greatest proportion of low paid and female workers and are more frequently run by working proprietors. They also display the lowest proportion of foreign ownership and the greatest degree of specialisation. These are the hallmarks of business organisations in the smaller firms segments, especially the satisfied and the craftsman, but also, to some extent, the leader smaller firms.

Occupying an intermediate position is Cluster II. However, on some variables cluster members are more akin to those of Cluster III (for example size, depreciation, the payment of royalties, administrative characteristics and foreign ownership) while on others they are more akin to those of Cluster I (for example proportion of working proprietors, concentration ratios and aspects of value added per employee). This

Figure 3: THE RELATIONSHIP OF THE AUSTRALIAN ANALYSIS TO THE SEGMENTATION POWER NETWORKS FRAMEWORK

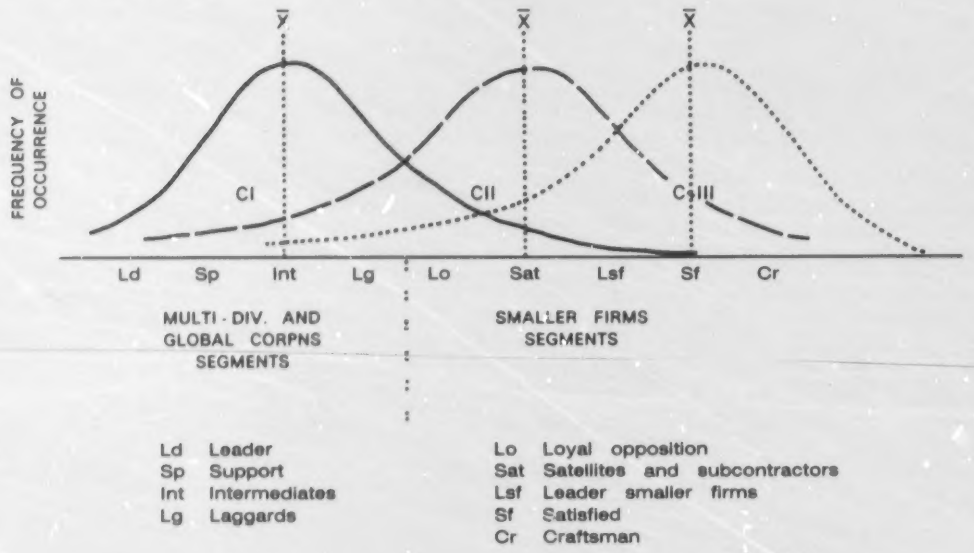


TABLE 4: CHARACTERISTICS OF EMPLOYMENT CHANGE BETWEEN 1978 AND 1980 IN THE CLUSTERS REVEALED FOR AUSTRALIAN MANUFACTURING

	Regression equation	R^2	% change p.a.
Cluster I	y = 90278 - 521 x	0.0894	-0.58
Cluster II	y = 424773 - 8729 x	0.8804	-2.05
Cluster III	y = 395442 - 3755 x	0.39225	-0.95

cluster can be interpreted as embracing business organisations that fall into the intermediate and laggard sectors of the multidivisional corporate segment and also business organisations characteristics of the loyal opposition and satellite segments of the smaller firms sector since these are the segments that also contain larger multiplant, multi-locational groups.

The inference of this analysis is that the 41 manufacturing sectors bear a relatively strong relationship to the business organisations segmentation which was elaborated in the first half of the paper. In diagrammatic form, this relationship is summarised in Figure 3. There is a clear tendency for each cluster to be related to specific segments and this is suggested by the positioning of the mean (2) for each cluster. However, there is a blurring of these distinctions inherent in the use of sectoral data which is suggested by the extensive tails of the frequency distribution associated with each cluster.

Very different labour dynamics are also associated with these three sets of enterprises in Australian manufacturing (Table 4). The analyses reported here, however, are confined to annual employment totals for the years 1975 to 1980 to which simple linear regression has been applied. Thus, the trends reported are net trends and give no indication of volatility in labour markets brought about by firm failure and new firm formation which is a particularly important element of smaller firms segment dynamics.

The global and multidivisional corporate set (Cluster I) shows the slowest rate of employment decline amongst the three clusters recognised, but the greatest variation around this trend as is shown by the r^2 value. Employment change in Cluster II, the domestic corporate cluster, presents a sharp contrast with this pattern. Here is the fastest and most consistent net decline in employment to be found in Australia. Characterised as comprising satellite and loyal opposition organisations and small national corporations, the business organisations of this cluster can be conceived of as being functionally tied to the global and multidivisional corporations of Cluster I. As such, contraction of the Australian economy biting into the corporate sector might be expected to be felt amongst these organisations first. Only in more recent years has similar employment decline come to the business organisations involved in Cluster I, most notably to the iron and steel industry but more recently the oil industry. For Cluster III, spanning the smaller firms sectors, the picture is different again. On the one hand, the secular rate of decline is greater than for Cluster I but less than for Cluster II while on the other hand, the variability around this trend is high with the r^2 value being only 0.39. Thus, the business organisations of this set demonstrate some of the resilience associated with small, family-owned firms but also show the more fluctuating fortunes that these enterprises experience.

The implication of this very simple analysis is that the three sets of manufacturing sectors distinguished in this study will impart very different dynamic qualities to the local labour markets within which they predominate. Employment prospects in different localities can, therefore, be expected to be very different. It remains to map the spatial dimensions of this business organisation segmentation in Australia.

The geography of business organisation segmentation

To map this segmentation pattern for Australia Local Government Area (LGA) employment data for 1976 can be used, with the numbers of workers in each of the three broad segments being expressed as a proportion of all manufacturing employment in an LGA. The maps that result are reproduced as Figures, 4, 5 and 6.

The patterns which emerge are quite clear cut. The global and multidivisional corporate business organisations of Cluster I are shown to be very highly localised in all States, but less so in Victoria (Figure 4). Western Australia shows two marked concentrations, one around Perth and the other around Port Hedland. In Queensland there are three concentrations, Mary Kathleen, Townsville and Gladstone while in South Australia, Port Augusta and Adelaide predominate. Wollongong and Newcastle dominate the pattern in New South Wales but also of interest is the string of minor nodes in the inland of the State, a pattern which continues into Victoria. This pattern in part reflects the success of decentralisation policies in these two States.

The domestic corporations, loyal opposition and satellite business organisations are clearly important through all the major urban centres in the country, comprising over 40 per cent of the manufacturing workforce in the capitals of the eastern States (Figure 5). However, they are particularly important in the local labour markets along the Murray River and centres such as Albury, around Bathurst and Cowra in New South Wales and along the Queensland coast, especially in the vicinity of Townsville. Clearly there is an agricultural foundation to this pattern. However, in the more remote areas of the States (outback having been defined arbitrarily as LGAs with fewer than 25 manufacturing employees and divided off from consideration by a broken line) it is small firm employment that dominates the manufacturing activities that exist (Figure 6).

The combination of these patterns can be looked upon as a distorted series of pond ripples with the three clusters of organisational types from the global corporate to the smaller firms assuming dominance in increasingly geographically remote areas except for the major resource projects in the heart of the continent.

Conclusion

What this paper has attempted to demonstrate, in a very rudimentary fashion, is that the dynamics of local labour markets are not determined locally within those areas but are conditioned by the types of business organisation that function within them. Fundamental to local labour market dynamics are, therefore, the unequal and asymmetric power relationships that exist between separate business organisations and the constituents parts of large corporations. It is only when these demand side considerations are added to the more fully developed supply side analyses of labour markets that an adequate appreciation of labour market dynamics will emerge.

Figure 4: SPATIAL DISTRIBUTION OF THE GLOBAL AND MULTIDIVISIONAL CORPORATE SEGMENTS

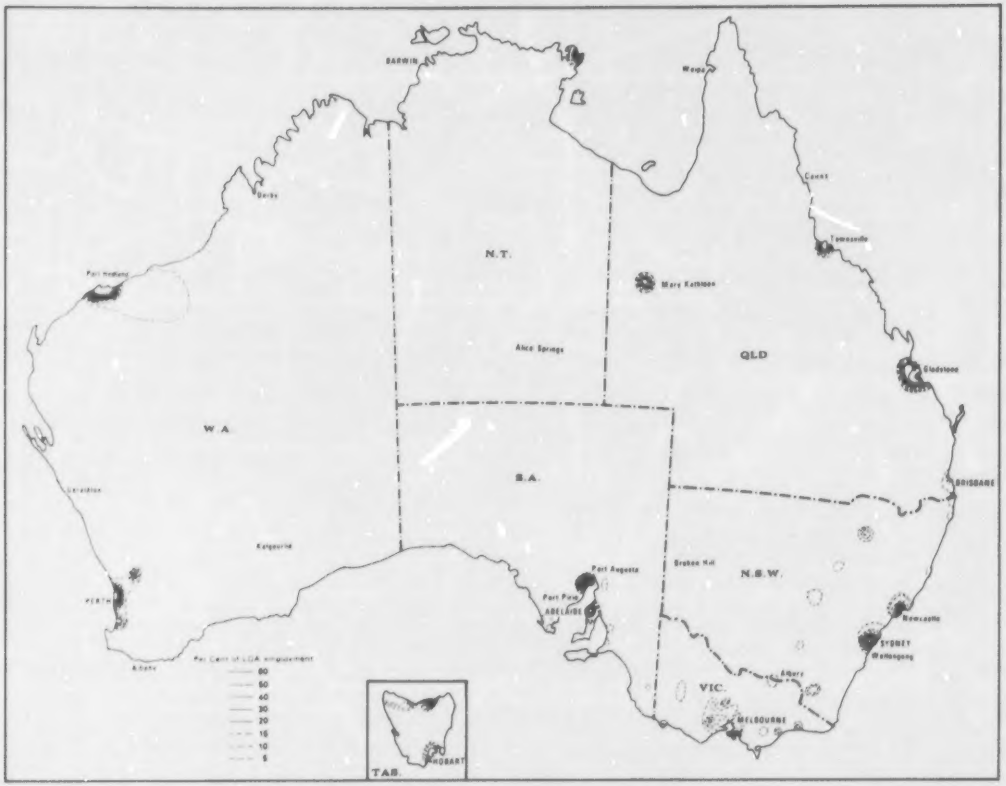
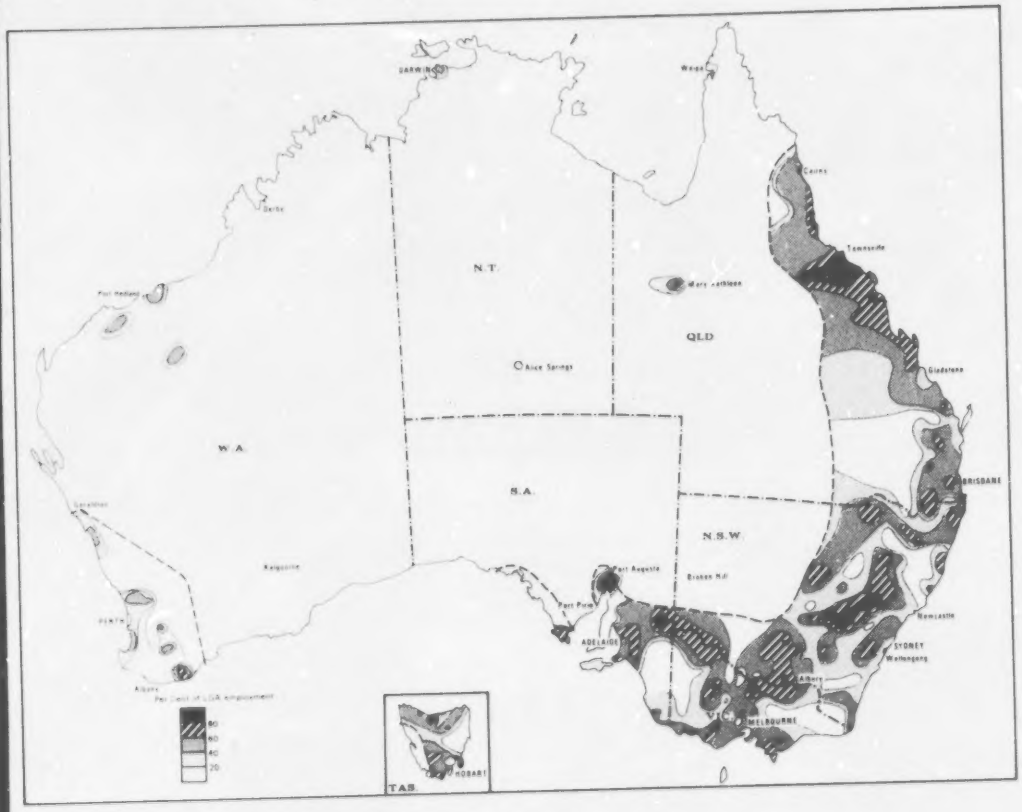
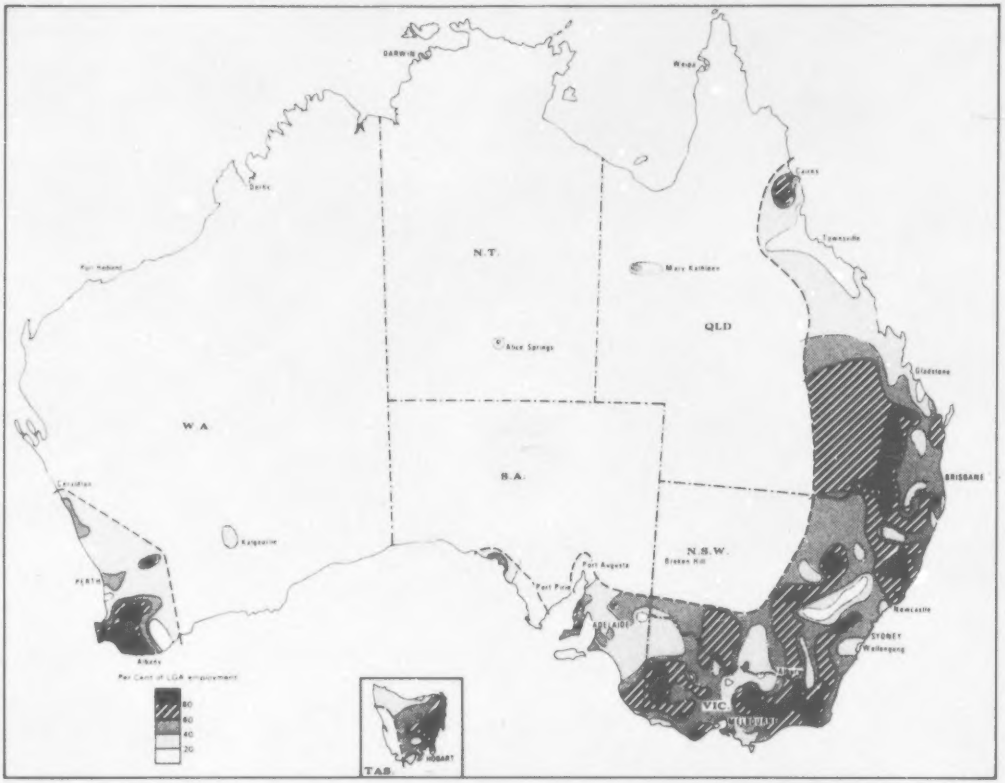


Figure 5: SPATIAL DISTRIBUTION OF DOMESTIC GROUPS, SATELLITE AND LOYAL OPPOSITION SEGMENTS



87

Figure 6: SPATIAL DISTRIBUTION OF THE SMALLER FIRMS SEGMENTS



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CREATING GRASS ROOTS EMPLOYMENT (WITHOUT EXTRA FUNDS)

by

*Paul Edwards**

The Context

Many fine initiatives are being taken to endeavour to reduce the number of Australia's youth who are unemployed. Yet the most recent employment statistics state that unemployment in Australian manufacturing rose by a further 17,000 or 1.5 per cent in the three months to February 1984.

There is encouragement for Australia's youth to stay at school longer, yet this appears to ignore the desire of many young Australians to leave school. The reasons given by persons aged 14 to 20 for leaving school show 67.2 per cent wanted their own money and 45.2 per cent said that being 'fed up with school' was an important factor. Hence alternatives to those that appear to emulate the existing school system are needed for this group, if we are to be 'fair dinkum' about caring for 'Australia's sons and daughters'. It is self-evident that we need some actions to create jobs - jobs that are creative, rewarding and lasting; jobs that are satisfying to those of our youth that do not want to be shunted into additional education programs.

The positive nurturing of the indigenous computer manufacturing industry provides that opportunity. Interestingly, government is in the position to create new jobs almost immediately without additional funds. A simple directive by each Cabinet to require government purchasers to buy Australian would start the whole process going. This article explores these opportunities.

Australia creates employment overseas

Australia imports $700 million worth of computer equipment annually. Australians have the skills to manufacture at least 50 per cent of the equipment imported, yet we continue to hold to values that suggest 'because it's imported it's better' and take no action to transfer that employment to Australia. Some argue that we do not have the scale of requirement that justifies the mass production of computer equipment in Australia. Again this is a myth, as the dollar value of the imports suggest. A $350 million product run can be divided 5 to 10 times and still leave each module with the critical mass sufficient to use modern and efficient production techniques and to fund the necessary Research and Development (R & D) to keep up with 'state of the art' developments. Indeed, research shows that small and medium sized businesses are more innovative and are better employment generators than large companies per unit of turnover. Thus our objectives should include the creation of companies of the small and medium size. Yet we avoid the employment opportunities that would be provided by pro-Australian buying practice and instead create jobs in overseas countries.

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Some overseas countries have the policies that Australia lacks. With a population of 3 million, Singapore has a major program to transfer employment opportunities to its indigenous industry. According to a representative of the Singapore Economic Development Board recently in Australia, Singapore is devoting over 20 per cent of its government expenditure to the creation and development of export generating industry. The Singapore Computer Board has the lion's share of this program. Sweden's population is in the order of half that of Australia and has major successes in an indigenous computer manufacturing industry. Part of their export target is Australia.

Computer industry statistics (overseas and Australia) show that ten jobs are created for every $1 million turnover. $350 million of imports probably result in $800 million of direct sales, thus 8,000 jobs. However computer equipment importers do create some jobs; statistics show importers create 3 jobs per $1 million of turnover; i.e. an $800 million turnover on imported products already accounts for the employment of 2,400. Thus some 5,600 additional jobs would result from a positive program of replacing $350 million of imports by local production.

What kinds of Jobs?

The Financial Review report on employment figures dated 11 April 1984 states:

> The 101,900 additional jobs created over what closely corresponds to the first year of the Hawke government breaks down into 57,000 extra employment in Finance, 25,000 in public administration and 47,400 in community service.
>
> The Bureau's figures suggest that employment in the manufacturing sector has fallen by 119,000 since May 1982.

It is unlikely that many of the new jobs in the Finance area would have gone to those with elementary skills or to the unskilled. Of the 25,000 jobs in the area of public administration many would be clerical; not too satisfying for those who want to create with their hands. Neither jobs in Public Administration nor in community services are in themselves creators of national wealth. The manufacture of computers in Australia creates jobs across the entire skill spectrum. They are jobs that create national wealth. They are jobs for those who want to use their hands and for those who are not helped by growth in positions available in public administration and community services.

Robert Crompton, in a paper to the Technology and Society Program, University of New South Wales, inter alia, discusses the problem of Australia's reliance on resources. The distribution and control of these resources results in 'haves' and 'have nots' and a growing body of embittered unemployed.

Some have suggested that Australia should reserve its participation in the computer industry to software. That too has the disadvantage of addressing predominantly the highly intellectual, highly articulate segment of our society and does little to provide basic skill jobs for those most affected by unemployment. Keeping the manufacturing of computers out of Australia benefits the articulate and those with vested interests; it reduces opportunities for those who are less likely to articulate their employment needs.

Space Programs

The most remarkable high technology development programs grew from the USA government subcontracting development work in the defence and space programs to indigenous USA firms. Many of these were very small firms when the programs started; some have fallen by the wayside but the remaining industry is strong and flourishing.

The Australian Computer Equipment Manufacturers Association (ACEMA), in its proposals to the Australian Government has recommended that specific programs for development be earmarked for indigenous Australian companies. This would provide an opportunity for Australian companies similar to that provided to USA companies by the USA government.

Another excellent opportunity exists in the education market. Australia has a good education system which, combined with indigenous computer equipment, would provide product for the world market. The Schools Commission has envisaged this kind of opportunity. It remains for governments to see this as an opportunity for Australian industry and job creation. Furthermore it would be nice to see our children have their education programs dominated by Australian idiom, Australian values, Australian history and Australian equipment.

Clearly then, those who make purchasing policy, those who manage that policy and those who implement that policy will be accountable to tomorrow's youth, if they ignore the opportunities of using purchasing to create employment and indigenous computer manufacturing capacity.

This is a responsibility which must be shared by Australian managers of overseas companies operating in Australia. Our ability to continue to live our current Australian lifestyle is dependent very heavily on our ability to cause our Australian owned manufacturing industry to grow again. Buying from indigenous Australian manufacturers will facilitate a lasting growth.

JOB CREATION FOR DISADVANTAGED WORKERS

*by Peter Allen**

As Australia's level of long term, structurally based unemployment rises above 250,000 the limitations of our existing labour force programs are being starkly exposed. Recent ABS figures show that 240,000 people, more than one-third of the total unemployed, have been out of work for nine months or more. This is an increase of about 140,000 over the past two years suggesting that many of those retrenched in the job shedding wave of 1982-83 have been caught in an unemployment trap. This band of retrenched workers, many of them middle or older aged males, appears to have been passed over in the employment growth of the past year which has seen nearly 200,000 new jobs created. Alongside this employment growth Australia now faces a massive hard core unemployment problem. If we are to avoid the social and economic difficulties hard core unemployment will bring new strategies are required.

Early in 1979 the Brotherhood of St Laurence published the results of six months research into Australia's employment programs under the title Disadvantaged Workers and Employment: Policies, Programs and Jobs. One of the major recommendations of that report was that the Federal Government should develop as soon as possible a large-scale job creation program within which disadvantaged unemployed workers would have priority access.

This recommendation was based on the Brotherhood's view that continuation of the then government's economic policies would maintain unemployment at its then high levels, and that existing employment policies and programs were not adequate to change meaningfully the unemployment situation or reduce substantially the number of unemployed. In addition the Brotherhood's analysis suggested that disadvantaged unemployed workers were, in the main, excluded from the Federal Government's manpower programs. The Brotherhood's argument - backed up by experience in many OECD countries - was that a comprehensive employment program must include a job creation program. In particular, the Brotherhood argued that well targeted job creation programs should be a major strategy for equalising employment opportunities for disadvantaged workers.

The major change since the Brotherhood published its early study has been the dramatic increase in long term unemployment. While the new Federal Government has introduced a job creation program (the Community Employment Program) its objectives appear to be counter cyclical rather than structural and its target the marginally rather than the hard-core unemployed.

The sort of job creation program that the Brotherhood is still

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advocating aims at two specific goals. The first is to boost labour demand for specific groups in the economy: the disadvantaged workers or hard-core unemployed. Because normal demand for these workers is often inadequate, even when other groups are fully employed, they are often referred to as structurally unemployed. The second goal, which has particular relevance for the Brotherhood, is to relieve income poverty. Because the structurally unemployed tend to earn the lowest wages when they can get work, the two goals overlap.

In the simplest terms, the idea is to provide socially productive employment for those people in the greatest need, instead of unemployment benefit or training for jobs that are not there. It is perhaps important to state explicitly that the Brotherhood is not advocating job creation as a measure to stimulate broad-based economic growth: rather it is proposing job creation targeted carefully at disadvantaged workers. Overseas evidence suggests that the case for the use of direct job creation programs in preference to other macro-economic policies for stimulating economic growth is not particularly strong. Alternative strategies such as increased expenditure on goods and services, tax reduction or employment subsidies to the private sector appear, in many cases, to be more efficient than job creation.

In contrast, the efficiency and effectiveness of direct job-creating policies for structural rather than counter cyclical purposes has been demonstrated clearly. With careful targeting towards workers with the poorest regular employment opportunities, direct job-creation policies can permit continued expansion of employment with less long run inflationary pressure than conventional fiscal policies. Direct job creation programs are also able to lessen the poverty that arises directly out of unemployment.

The costs of unemployment in both economic and personal terms have been outlined in many places. The Australian Council of Social Service, for example, has estimated that with an unemployment level of 450,000 we can expect to lose $780 million in tax revenue and about $7,000 million in lost production of goods and services. In addition to these losses, close to $1,000 million would be paid out in unemployment benefits. On a personal level, research on the psychological and other effects of long term unemployment outlines the steady deterioration likely to be experienced by some unemployed. This process is accompanied by very real and immediate pressures - financial, personal and social. These costs of unemployment in many cases are permanent, not something that can be reversed when the economy recovers.

It was against similar unemployment pictures that many OECD countries moved away from programs designed to change the productivity of individual workers and towards direct job creation policies. This move represented, as much as anything, an admission that the current structure of the market economy is not able to secure adequate economic performance. Support for structurally-based job creation comes in part from a belief that job creation can reduce some of the constraints on labour market participation faced by disadvantaged workers. It is by improving this performance that job creation can be an effective instrument for reducing the number of persons living in poverty and for solving the structural unemployment problem.

The economic rationale for job creation starts with a recognition of the adverse economic effects of legal and institutional constraints on the

operation of the labour market. Because of constraints such as discriminatory hiring practices, work disincentives caused by income security programs and hiring disincentives caused by minimum wage laws and payroll taxes, wages are not able to adjust to reflect the perceived marginal product of low-skill workers. In this context, high unemployment among groups of low-skill workers is inevitable, as is the persistence of poverty among these same groups.

Direct job creation measures - whether in the private or public sectors - in effect reduce the cost of hiring additional labour. This reduced cost will encourage employers to substitute workers in the target groups for both capital inputs and workers who are not members of the target groups. From an economy wide perspective, a related effect will occur. If the job creation program is targeted toward workers who will increase their labour force participation in response to increased labour demand then gross domestic product should increase. In an inflationary situation substantial increases in both the employment of disadvantaged workers and Gross Domestic Product (GDP) could occur without substantial upward wage presure. Other gains also occur. Taxpayers will gain from the increased taxes paid by the newly hired workers and the reduced unemployment benefit payments. In addition, targeted job creation measures can reduce inequality in the distribution of income by shifting the composition of employment and earnings towards low-skill, disadvantaged workers.

In summary, a targeted job creation program will, for employers, reduce the wage costs of hiring low-wage workers, and, for low wage workers, increase the possibility of finding a job and the rewards of holding one. In short, well designed job creation programs can serve to offset the adverse side effects of labour-market constraints, and in so doing can lead to increased employment and earnings for low-wage workers and to increased output and aggregate employment with little or no inflationary pressure.

However, while the economic rationale for public sector job creation is strong, the design and implementation of effective programs is not a simple matter. Any ultimate appraisal of costs and benefits must consider several issues.

The first issue involves 'displacement effects' or the extent to which employment is reduced somewhere else in the economy as an offset to the job creation program. For a variety of reasons there will always be some displacement. Fairly obviously, a successful job creation program should have a **net** job creation impact, defined as the difference between the employment level in the economy with the program and the employment level without it. Because the output produced by the subsidised workers competes with alternative outputs, the financing of the program entails opportunity costs that represent displaced outputs. As well, some of the subsidised workers would have been working without the subsidy. Thus the **net** job creation impact will be smaller than the gross number of workers hired or subsidised. The ratio of net to gross job creation is an indicator of these displacement effects. Although several studies have tried to estimate the displacement effect of job creation programs, their conclusions vary widely. However, the recently published OECD study of public sector job creation concluded that, at least in public sector job creation, displacement is not a serious problem.

A second issue involves the actual costs of the jobs created. American and European experience suggests that gross costs of each job created are quite high. One fairly detailed American guesstimate of budget costs, based on the assumption that displacement is 20 per cent in public employment, suggests a cost of public sector programs of over $9,000 per job. Although this estimate did not consider the increased tax revenue generated by the extra employment, or the reduced unemployment benefit payments, it does suggest that the taxpayer cost per job created is close to the net earnings of the new employees.

Within the Brotherhood's own job creation experience - (the Neighbourhood Employment Development Program (NEDP))* - it was apparent that costs per job created considerably exceeded actual wages paid to individual employees. In relation to new jobs created or considered in the small business area, the two factors contributing to the high cost per job were the substantial initial capital required to establish business and projected insufficient revenue to claw back establishment costs and pay running costs at the same time. On the community services side of the NEDP, the cost per home health aide for the six month pilot project was $4,142, making an approximate yearly total of $8,284.

Against these gross costs of job creation we need to balance flows back to the Treasury through income tax, as well as program savings through reduced unemployment benefit payments. In addition, there are variables such as substitution and displacement effects which are not able to be measured precisely, for which assumptions must be made for any detailed calculations of net cost. What is clear is that the net cost of jobs created is substantially less than the gross cost. The OECD study on public sector job creation, for example, said we should assume that net costs will be somewhere between one-third and two-thirds of the gross costs. In other words, up to two-thirds of the gross cost of job creation will be recouped by the government in one way or another.

Ultimately, the real costs of creating the job must be weighed against the benefits. The benefits involve not only the productivity of the worker while employed on the job and the contribution of the work experience or training to their future earnings, but the social value of the goods and services they produce. The real costs include both the value of the equipment and materials used on the job and the value of what the worker would have been doing if the program had not existed. The foregone productivity might involve the worker's alternative market activities, or the home product in which they would have been engaging, or simply the value of the foregone leisure.

It is also important to recognise some of the difficulties associated with targeting job creation programs, particularly if we are focusing on people who have been unemployed for long periods or show other evidence of labour market problem. Targeting rests on the idea that the structure of today's economy requires workers with skills that enable them to handle increasingly complex information and machinery. People who do not have such skills have trouble finding jobs even when the economy in general is healthy. Different theories suggest different reasons for the disparity of unemployment rates between skilled and unskilled workers, but most economists agree that it exists. Thus the unskilled market may have a pool of 'slack' labour while the skilled market is relatively tight. Because of the different employment conditions in the skilled and unskilled labour markets, targeting towards the unskilled minimises the danger that jobs created by a job creation program will push wages up for

* See Abstracts C26,27; 84/C:6,7.

skilled jobs, or that these jobs will draw skilled workers into the program unless there is excessive overall unemployment. Moreover, such a job creation program will benefit the people for whom it is designed by providing them with job experience.

Even when targeting is clearly desirable, phrases such as 'structurally unemployed', 'unskilled', or 'disadvantaged' are not adequate for defining the target groups. Nor should the focus simply be on such demographic groups as minorities or women, because not all members of these groups need help. The operational problem is to define the target group so that program participants are drawn from a population needing special employment opportunities, while assuring that the program does not directly compete with non-subsidised job opportunities. No targeting criteria can perfectly channel a job creation program to the appropriate group, so it is probably best to focus on indicators of individual labour market failure. In that context it is useful to think of four labour market layers, which can be described (though not precisely defined) in the following way:

- the **top layer** consists of persons who hold steady jobs and need no special labour market assistance
- the **second layer** consists of workers with definite skills who usually hold good jobs but may be laid off in a recession. For example, they may lack seniority or may work in industries that are most sensitive to economic downturns, such as building construction. They typically need short-term relief through income transfers or temporary employment
- the **third layer** is made up of persons with more long-term problems - those who cannot find satisfactory jobs because they have inadequate skills, face discrimination, or lack information about the labour market. They are likely to have low incomes and to be jobless for long stretches even in prosperous times. These persons need temporary jobs and training and job exposure that will help them move to more stable employment.
- the **bottom layer** consists of persons who lack basic work and communication skills necessary for holding jobs other than temporary unskilled positions. Some have attitudinal or emotional problems, while others may lack the ability to follow directions and work independently. These persons appear most likely to benefit from a highly structured program of remedial education, training in basic work habits and rudimentary job skills, and counselling.

Both the third and fourth labour market layers include people for whom job creation is an appropriate structural program. Present job creation initiatives focus on the second and third layers: in comparison, the American supported work experiment focused on the fourth.

Available evidence suggests that the benefits of structurally-based job creation programs directed at either the third or fourth labour market groups will outweigh the costs. For example, the Supported Work program, aimed at groups who had been the hardest for American training and job programs to reach, achieved a substantial measure of success in meeting its short-term objectives of increasing employment and earnings, reducing dependency on the income security system, producing useful goods and services and reducing criminal activities. It provided ample evidence of

a strong interest in work among the four target populations, particularly supporting parents. It also showed that supported employment, even if in the short term, could lead to a substantial reduction in average social security benefits and lower numbers dependent on income security. Finally, for the ex-addicts, it demonstrated that providing a weekly pay cheque can lead to a direct and dramatic reduction in criminal activities.

The findings on long-term impact are more mixed. For the supporting mothers, it appears that program effects endured after their experience in supported work into the post-program period and did not decline over time. For ex-addicts, the program appears to have had a delayed effect. For ex-offenders and early school leavers, the program does not appear to have had long-term impacts. The detailed analysis of program costs and benefits suggests that supported work has a substantial redistributive effect in line with its goal of reducing poverty through employment. It also indicates that, for the ex-addict and supporting mother groups, society as a whole receives benefits in the form of useful goods and services, reduced criminal activity and increases in future employment that are considerably in excess of program costs.

At a local level there is steadily accumulating evidence that structurally based job creation may have considerable impact in not merely reducing unemployment, but also providing an economic input where traditional industry is decaying and new industry is largely absent.

Many of these new strategies are now linked together through the Local Employment Initiatives Program (ILE) of the OECD. While there are wide variations between local job creation and employment initiatives developed in different countries they generally share several features. The most important is the focus on creating permanent jobs - jobs that are designed to provide secure long-term employment. In addition, many of the success stories are controlled by local communities and produce goods and services for the community's benefit. These local employment initiatives are almost all small in size and planned, over time, to become self-sufficient. At this stage, many of the projects receive little or no central government support.

The characteristics of these ILE's can be summarised as:

- they arise from within a local community as a form of economic self-help rather than depending on external initiatives
- they frequently involve partnership between different local interests; e.g. public, private and community
- they normally have a mixture of economic and social objectives; e.g. to create jobs, to help those suffering from a special disadvantage, to produce socially useful products or services
- they are controlled locally so that the local community derives the maximum benefit from their operations.

Development of local employment initiatives has occurred as one aspect of a more broadly based trend towards increased support for small businesses. Recent research, particularly in the United States, has suggested that small businesses provide more new employment opportunities than has been acknowledged. In addition, governments facing declining employment and increasing budget deficits have a strong interest in encouraging individual and community initiative and enterprises.

In many cases the job creation projects involve new forms of public

and private partnership; in some areas, for example, local government is working closely with private business to provide funding and support for the development of community controlled enterprises. Identified obstacles to establishing these community enterprises range from shortages of venture finance, to difficulties in accessing advice and technical assistance, to delays caused by government regulations. While venture capital and operating finance are often available, they are generally not available on terms suitable to small community enterprises. Often sums of money required are too small for existing institutions to handle. High risk venture capital is not often available. As a result some communities have established, with the co-operation of government and/or private enterprise, revolving loan systems which make provision for losses of around 20 per cent of investments.

The importance of accessible advice and technical assistance is also recognised as critical. The French Government has responded by establishing a network of locally based 'boutiques' which co-ordinate a network of local enterprises. In the United Kingdom, private business has supported the creation of a network of over forty Local Enterprise Trusts which act as small business development bureaux. In both the French and U.K. examples, the services operate autonomously from central government, drawing together local advice in response to local needs.

Where local government (or, in fact, any level of government) is involved in supporting community enterprises special efforts are being made to cut bureaucratic red tape. Many new enterprises will collapse if there are prolonged delays in approving funding and other forms of support. Unfortunately, many of these new projects are hampered by restrictions on existing government programs. An area of particular difficulty is when unemployed people attempt to start a community business venture using their unemployment benefit as their principal source of income during the start-up phase. Several countries are now studying ways in which unemployment benefit could be provided more flexibly to reduce these problems.

A common strategy to support this development of community business venture is for local government, for example, to take over a disused factory and convert it into workshop space. This space is then made available for the development of ideas into new products. Provision of workshop space with its shared central facilities provides new entrepreneurs with small premises on an 'easy in, easy out' basis. 'Technology networks' are often associated with these workshops. Staff in local technical colleges and universities are encouraged to work alongside individuals and groups to identify potential new products with high technology input and to assist in their development to prototype stage. One of the most promising examples of this strategy operates through the Greater London Enterprise Board.

Many countries are hoping that these employment projects will offer some indication of how labour force and training policies and programs could be re-orientated to provide more efficient use of resources currently spent by government and more effective help for the hard core unemployed. In Australia the Brotherhood has argued that a step in this direction would be to direct the Community Employment Program (CEP) towards more permanent job creation. Such a reorientation would require better access to venture finance for local employment initiatives, support for development of a well resourced network of advice and technical assistance, and possibly re-casting of the unemployment benefit system.

Overseas job creation projects have demonstrated that if longer-term structural unemployment problems are to be successfully tackled, an increasing proportion of Australia's job creation funds will have to be directed to permanent job creation initiatives. The challenge for such programs is to develop employment which is desirable, permanent and long-term, which does not require permanent subsidy, and which results in the employment of labour which would otherwise not be employed either now or in the projected future.

DIRECT PUBLIC SECTOR JOB CREATION: IMPLICATIONS FOR YOUTH*

by

*Claire Thomas***

Employment and Training Programs

Continuing high levels of unemployment[1] have stimulated the search over recent years for new approaches to the plight of the unemployed in Australia, as elsewhere. Over the last decade, the focus of government policy has switched from conventional fiscal expansionary measures to a new emphasis on manpower and training policies designed either to alter the structure of the labour force, or directly to influence the labour force experience of recognised disadvantaged groups. These policies have included measures to alter the overall supply of labour, measures to affect labour demand, and strategies to improve access to the labour market for groups with recognised labour market disadvantages, including youth, women, aborigines and the disabled.

Policies to influence labour supply include those which attempt to alter the labour force participation of selected groups such as youth (through extensions to their education) and the old (through encouraging their early retirement). Other labour supply policy options to have been canvassed in recent years are those which attempt to alter the distribution of existing working hours; for example, through job sharing or an increase in the proportion of the workforce engaged in permanent part-time work. On the demand side, alongside more conventional trade and industry assistance policies, there have been measures to provide temporary employment assistance through wage subsidies to public and private sector employees (for example, Special Youth Employment Training Program (SYETP) and sporadic direct public sector job creation measures.

A separate cluster of manpower programs has been those which aim to increase access to the labour market for particular disadvantaged groups, either through re-training to bring their skills more into line with the structure of occupational demand for labour, or through development of the skills required for job search and procurement. Into the former group fall a range of programs such as the original National Employment and

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* This article is based on the findings of the evaluation of the Victorian Employment Initiatives Program commissioned by the Ministry of Employment and Training and carried out by the Institute of Applied Economic and Social Research. The author wishes to thank the Ministry of Employment and Training for permission to publish the article and acknowledges the contributions of Peter Brain, Anthony King, Kiera O'Neill and Greg Richardson as the co-authors of that evaluation.

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Training Scheme (NEAT) scheme, Commonwealth Rebate for Apprentice Full-Time Training (CRAFT) and various apprenticeship training schemes; while the latter group is illustrated by programs such as Commonwealth Youth Support Scheme (CYSS) and Education Program for Unemployed Youth (EPUY). Relocation assistance programs represent another of the strategies used to improve labour market access.

Direct Public Sector Job Creation

The focus of this paper will be on the role of direct public sector job creation measures. Although in the past such measures were used primarily to combat cyclical unemployment, the focus of the present discussion will be on those designed to provide temporary employment and training opportunities to the more disadvantaged unemployed, with particular reference to the Victorian Employment Initiatives Program (EIP). It will be argued that programs such as the EIP show considerable potential to improve subsequent access to employment opportunities for those with specific labour market disadvantages, and hence to perform an important redistributive function in the present economic environment by restructuring access to limited employment opportunities.

An early federal initiative to meet the deteriorating employment situation of the past decade was the Regional Employment Development Scheme (REDS), introduced in September 1974. Initially targeted to areas of highest unemployment and to the more disadvantaged unemployed (chiefly those suffering long durations of unemployment and sole breadwinners), in practice the program became a more general, counter-cyclical job creation initiative, having been scaled up well beyond its original conception. Only a year after its introduction, the RED scheme was wound down amid much public criticism of its administration, and there were no further federal government initiatives in direct public sector job creation until almost a decade later. There were, however, some subsequent State initiatives in this area: in South Australia (where over $50 million was devoted to the State Unemployment Relief Scheme between 1975 and 1979) and in NSW, where several short term employment and training programs specifically targeted to youth were implemented between 1977 and 1983.

In Victoria, the new State Labor government elected in 1982 provided in its first Budget (1982-83) for the expenditure of some $30 million on a direct, public sector job creation scheme targeted to the more disadvantaged of the long term unemployed. This initiative reflected a recognition that those with specific labour market disadvantages already bearing a disproportionate share of the burden of high unemployment would be least likely to benefit from conventional fiscal expansionary measures introduced at the same time to provide a more general boost to employment growth.

The Victorian Employment Initiatives Program (EIP), as it was called, was a scheme whose primary aim was to provide immediate employment assistance to the more disadvantaged unemployed; but it was also hoped that the work experience and training participants would receive under the program would result in a significant improvement in their longer term employment prospects. Given the legacy of doubt surrounding direct public sector job creation after the less than entirely successful REDS experiment, the EIP represented an attempt to re-legitimise such programs, and was the first of a new generation of targeted job creation strategies designed to assist the more disadvantaged unemployed. The example of the Victorian Government was quickly followed by the Federal Liberal/NCP

government of the day in its allocation of a proportion of Wage Pause Program funds to similar job creation initiatives, and in the subsequent introduction of the Community Employment Program (CEP) by the incoming Federal Labor Government in 1983. With the Federal Government gaining the greater part of the savings on unemployment benefits and of increased tax revenue accruing from the provision of jobs to the unemployed, the shift to Federal funding of direct public sector job creation initiatives was a logical step, with the States drawn into partnership with the Federal Government in the administration of such programs.

Evaluation of the EIP

An evaluation of the Victorian EIP was commissioned by the State's Ministry of Employment and Training and undertaken by the Melbourne Institute of Applied Economic and Social Research. The final report of that evaluation was released in late March, 1984.[2] The main findings of that evaluation were that the EIP had been an appropriate strategy for assisting the long term unemployed in the present economic environment, and that the program had been reasonably effective in reaching the target group. The appropriateness of short term job creation measures in the present economic environment was determined in relation to present economic constraints to permanent new job creation through conventional fiscal programs. Although based on reasonably optimistic assumptions, projections for Australian economic growth over the 1983-87 period undertaken for that evaluation revealed the unlikelihood that conventional fiscal expansionary policies could bring about a permanent reduction in unemployment appreciably below a projected average of 700,000 over the projection period. Accordingly, on the assumption that such permanent job creation strategies would indeed be pursued to their limit, the evaluation concluded that presently high unemployment levels would persist for some time yet, and that an increasing proportion of the unemployed would suffer long durations of unemployment. In the light of these findings, there was judged to be an important role for temporary job creation measures which could redistribute the burden of unemployment by redistributing existing employment opportunities in favour of the presently long term unemployed.

Whether temporary job creation strategies targeted to the long term unemployed would in fact have such a redistributive effect, however, would be dependent on two further conditions. First, it needed to be demonstrated that individual probabilities of employment decrease significantly with increasing duration of unemployment; and, secondly, it needed to be established that intervention to provide temporary employment assistance to the long term unemployed could appreciably improve their post-program probabilities of employment. Only then could it be said that targeted job creation programs could effect a real redistribution of employment opportunities in favour of the target group, so reducing the burden of present levels of unemployment on that group. Were such programs to have no effect on post-program employment probabilities, then all that would be achieved would be a 'recycling' of the same stock of long term unemployed through temporary employment relief programs.

In fact, the time frame within which the EIP evaluation was carried out did not allow for a proper study of these effects, as the impact of the program on participants' longer term employment prospects vis-a-vis non-participants could only have been judged through longitudinal studies of the subsequent labour market experiences of participants and a matched control group of non-participants. However, the evaluation did reveal a good deal of circumstantial evidence to support the proposition that

programs such as the EIP could appreciably improve participants' post-program employment probabilities. This circumstantial evidence derived from four main sources, each of which is considered here in turn.

(i) The evidence of labour market flow statistics

From an analysis of labour market flow statistics published by the Australian Bureau of Statistics, the probabilities of obtaining employment given a specified duration of unemployment were calculated.[3] These calculations confirmed that individual probabilities of employment declined with each successive increase in duration of unemployment.

In the attempt to explain this relationship, it might be equally possible to attribute long duration of unemployment to poor 'employability' as it would to attribute low employment probabilities to long durations of unemployment. However, leaving aside the former hypothesis for the moment, and assuming that a protracted spell in unemployment of itself reduces an individual's employment probabilities, then it follows that a recent period of employment will increase that individual's employment probabilities relative to that which would have obtained had that individual remained in unemployment. If this assumption holds, then it is predicted that the probability of an EIP participant obtaining employment within the first three months of leaving the program will be three times the probability of a non-participant who has been unemployed for six months or more. This is, moreover, a conservative estimate of the relative employment probabilities of two such individuals as it is based on conservative assumptions regarding flows out of unemployment into 'not in the workforce' for those of longer unemployment durations.[4]

The evidence of labour market flow statistics, and of individual probabilities of employment derived from those aggregate statistics, thus provides a basis for the hypothesis that the targeting of short-term employment opportunities to the six months or more unemployed may improve participants' post-program employment probabilities by at least a factor of three. Such an hypothesis is, however, based on the assumption that the period of employment (and training) offered by temporary job creation measures will bring participants on average onto an equal footing with other new entrants to unemployment upon termination of the program.[5] For this to be verified, it needs to be established either that the period of employment provided by the program, of itself, can appreciably improve participants' longer term employment prospects, **or** that the nature of the work experience and training provided by the program improves the 'employability' of the long term unemployed to the required degree. One of the factors likely to be an important consideration in determining whether or not such programs can provide a period of employment regarded by prospective future employers as 'normal' labour market experience will be the average tenure of employment under the program.

(ii) The evidence on average job tenure

From ABS job tenure statistics, Gregory and Foster (1982) calculated that, in 1976, 53 per cent of new employment opportunities had a job tenure of less than one year, and 58 per cent of new employment in the private sector had a tenure of less than one year. In other words, for over half of new entrants to 'normal' employment, a job tenure of less than twelve months will be a realistic expectation. Hence, a temporary job creation program providing employment of between six and twelve months

may not represent such a radical departure from 'normal' labour market experience as might at first be supposed. Indeed, the evidence on normal job tenure supports the view that a period of 6 to 12 months employment in a job creation program might reasonably be regarded by prospective future employers as a normal period of recent work experience.

(iii) The evidence from a survey of EIP participants

The evaluation of the EIP included interviews with EIP project sponsors to determine the nature of work experience and training provided under the program, and a survey of a sample of EIP participants timed to coincide with the period shortly after most participants had left the program. From both these sources, it was apparent that neither the period of employment provided by the program nor the nature and extent of training provided on the majority of EIP projects were sufficient to guarantee a significant enhancement in the occupational skill status of participants. Although participants did acquire new skills and relevant work experience while employed on EIP projects, in most occupational areas more specialised training leading to formal certification would have been necessary to ensure any appreciable change in their occupational skill status. From the point of view of formal, occupational skills acquisition therefore, it was concluded that the program had not had an appreciable impact on this aspect of 'employability'.

On the other hand, there was a substantial body of evidence to suggest that the period of employment offered by the program had, of itself, improved participants' employment prospects. That evidence ranged from the 'opinions' of project sponsors and participants alike that the experience had greatly enhanced participants' self-confidence, self-esteem and sense of self-worth - so improving their capacity to present themselves positively at job interviews - to the more objective evidence of the positive post-program labour market experiences of a significant proportion of participants. Of the sample of participants interviewed, 19 per cent were still employed on EIP projects at the time of interviewing, 36 per cent had returned to unemployment, and 3 per cent had withdrawn from the labour force. The remaining 43 per cent had obtained new employment positions on termination of EIP employment, the great majority of them within less than four weeks of leaving the program. Some of those unemployed at the time of interviewing also reported having lined up jobs which had yet to commence.

A significant proportion of those employed after termination of EIP employment attributed their success at least in part to the impact of the program, many referring to the importance of having had recent work experience or of being currently employed when applying for new jobs. Some 40 per cent of the employed group had been retained by former EIP project sponsors to fill vacancies arising in the permanent labour force, while others had won access to new employment opportunities through contacts made and information obtained while employed on EIP projects, or through favourable job references provided by sponsor organisations. Among the unemployed group, meanwhile, a majority expressed the view that their employment prospects were now better than they had been prior to EIP employment, and again attributed this most often to the fact of having had recent work experience and/or of having gained access to the network of information and contacts needed to secure future employment opportunities.

The evidence from the immediate post-program labour market experiences of this sample of EIP participants thus supported the contention that the program could appreciably improve participants' employment prospects, and that this effect could be attributed primarily to the benefits which a period of employment, of itself, could have rather than from any enhancement of participants' skill status. However, the evidence for this contention remains circumstantial in the absence of longitudinal survey data comparing the post-program labour market experiences of former EIP participants with a control group of non-participants.

(iv) Integration into the workforce

It is common sense knowledge that those who are already employed find it easier to secure further employment opportunities than those who are unemployed. This is usually attributed to prejudice against the unemployed whose unemployment may be taken to reflect low 'employability', or alternatively to the employer's not unreasonable need for proof of recent work experience when assessing the 'employability' of candidates for jobs. Confidence acquired through recent work experience also places the recently employed at an advantage over the long term unemployed in presenting a positive self-image to prospective future employers, while income from present or recent employment furnishes a further advantage over unemployment in financing the search for work.

Perhaps what is less commonly recognised, however, is the apparently critical importance to the successful search for work of a degree of integration into labour force networks which present or recent employment allows but which is denied the long-term unemployed. Being in work grants those employed access to contacts with a local network of employers, access to a 'grapevine' system of dissemination of information about forthcoming job vacancies, and access to employer references which testify to their worth to prospective future employers. In a time of high unemployment, these more informal influences on the successful search for work will inevitably become more important than when labour markets are tight.

The clear implication of this for temporary job creation measures targeted to the long term unemployed is that, if nothing else, the limited employment opportunities offered to that group can overcome their previous relative disadvantage in gaining access to the network of contacts and information needed for the subsequent search for work.

Implications for Youth Unemployment

In addition to suffering the disadvantage of the unemployed vis-a-vis the employed in the search for work, the young unemployed face further dilemmas in gaining access to jobs. Being new entrants to the labour force, they lack the work experience which is deemed such a vital credential by employers who must decide on their suitability for jobs, and this puts youth at a further disadvantage in the competition for scarce jobs. That disadvantage is compounded by employer expectations that, being inexperienced and unaccustomed to the day-to-day work routine, young employees will be less productive than older or more experienced workers; will require a greater investment in their training; and may prove less tractable and reliable than those more accustomed to the discipline of work.

For the young unemployed, then, temporary job creation measures can also provide the required period of work experience which poses such a dilemma for youthful new entrants to the labour market in furnishing proof of their 'employability'. Job creation programs can also provide the young with access to on-the-job training in basic occupational skills and can achieve the desired degree of 'socialisation' into the workforce (for example, their inculcation of regular work habits, acceptance of supervision and so on) of which future employers will also require some proof.

The importance of the work experience aspect of job creation schemes for the young unemployed was illustrated by the survey of participants interviewed for the evaluation of the EIP. Among those interviewed, 27 per cent of those in the 15-19 year age group and 8 per cent of those in the 20-24 age group had no previous work experience at all prior to EIP employment, and over half of the 15-19 year olds reported having had no previous 'regular' job. Seventy per cent of the 15-19 age group had been unemployed for nine months or more prior to EIP employment and 35 per cent had been continuously unemployed for twelve months or more.

The youngest of EIP participants were second only to those in the 'older worker' category in the extent of their pessimism regarding their job prospects prior to EIP employment. Whereas 58 per cent of the 25-44 age group rated their chances of finding work prior to EIP as poor or very poor, 65 per cent of the 20-24 year olds and 74 per cent of the 15-19 year olds held poor or very poor expectations of their employment prospects at that time. Although the majority of respondents in all age groups attributed their past difficulties in finding work chiefly to the lack of job vacancies, a significantly greater proportion of those under 25 (42 per cent) than those aged 25 or over (23 per cent) attributed their poor employment prospects in part to a lack of skills or qualifications. Moreover, this was despite the fact that those aged under 25 had generally undergone more years of secondary education than had those aged 25 or over. Some 82 per cent of those under 25 compared with only 38 per cent of those aged 25 or over had completed secondary schooling at least to Year 10 level, and roughly the same proportions of each group (around half in each case) had undertaken some form of further education or training after leaving school. Youths' perceived lack of skills and qualifications for jobs thus appeared to refer primarily to those acquired directly through work experience.

'Work experience' emerged as the major expected benefit of EIP employment in the eyes of younger participants. Fifty-six per cent of those aged under 25 expected 'work experience' to be one of the major gains from EIP employment, compared with 35 per cent of those aged 25 or over. The acquisition of skills was also anticipated as a major gain by 35 per cent of 15-19 year olds, and some 85 per cent of all those under 25 reported having gained new skills while employed on EIP projects. By contrast, almost none of those aged 25 or over believed they would gain significantly in this area, although some 70 per cent subsequently claimed to have acquired new skills while in EIP employment.

Table 1 sets out the areas in which the sample of EIP participants in each age group believed they had in fact derived most benefit from EIP employment. Again, work experience and training featured as the most significant aspect for youthful participants, with almost half of those under 25 nominating this area. By contrast, a much larger proportion of older workers nominated financial gains from employment and 'just having a job' as the most important benefits to them. Gains in self-confidence and

self-esteem from EIP employment also figured more prominently among young than older participants.

Table 1 Age by Most Important Benefits of EIP Employment - EIP Participant Sample (Weighted %)

Most Important Benefits of EIP *	Age group (years) 15-19	20-24	25-44	45+
Financial gains	43.3	41.4	51.9	64.6
Training/work experience	52.5	45.4	43.0	2.8
Improved confidence/esteem	24.4	18.8	14.4	15.4
Contacts/friends	23.1	21.3	9.2	9.3
Just having work	7.2	19.9	20.2	37.1
Specific personal achievements	-	17.5	13.6	16.2

* Note: Multiple responses allowed

Fifteen to nineteen year olds were the group who showed the greatest optimism concerning the likelihood that EIP employment would improve their subsequent employment prospects, some 65 per cent believing their chances of finding work would be improved by the program. Indeed, a majority of all but the 45 and over age group believed the program could improve their future labour market prospects.

As indicated earlier, some 43 per cent of the participant survey sample had obtained jobs on termination of EIP employment. A further 19 per cent were still employed on EIP projects, while the remaining 38 per cent were not employed at the time of interviewing. From Table 2, it can be seen that some 32 per cent of 15-19 year olds were still employed on EIP projects at the time of the survey, and it is therefore difficult to assess the impact of the program on the immediate post-program employment prospects of that group. However, the 20-24 year age group clearly fared better than any other in their immediate post-EIP labour market experiences, 54 per cent of this group having obtained subsequent employment positions, while only just over a quarter had returned to unemployment.

In summary, the experiences of youth participants in the EIP were generally highly positive, most regarding the program as having the capacity to provide them with the work experience, training and contact with employer organisations needed to gain a foothold in the labour market. Moreover, their immediate post-program labour market experiences generally appeared to bear out these expectations. A number of sponsor organisations, too, considered the program to have been particularly beneficial to the young, giving them new hope and a new sense of purpose.

The Redistribution of Scarce Employment Opportunities

In the past, experiments with direct public sector job creation were undertaken principally as a measure to combat cyclical unemployment. They

Table 2 Age by Employment Status at time of Interview - EIP Participant Sample (Weighted %)

Employment Status at Interview	Age group (years) 15-19	20-24	25-44	45+
Employed	29.0	54.2	35.7	50.2
Unemployed	39.2	27.5	39.2	44.2
Not in workforce	-	-	7.1	-
Still in EIP employment	31.8	18.4	18.0	5.6
Total	100.0	100.0	100.0	100.0

were mounted in the confident expectation of general economic recovery and a restoration of previous employment levels to absorb participants leaving such programs. Their chief purpose, therefore, was to provide temporary employment relief to maintain the income, skills and work habits of participants until the anticipated cyclical upturn in economic activity and employment.

In the late 1970s and early 1980s, however, a very different economic climate has prevailed. Australia, as elsewhere, is confronted by the prospect of continuing high levels of unemployment even in the event of a gradual restoration of economic growth. In this environment, there can be no expectation that participants in direct public sector job creation programs will face an improved labour market on leaving such programs. Accordingly, the best such programs can do is to offer temporary relief for some proportion of the unemployed, and the prospect of some real improvement in their post-program employment prospects relative to other competitors for limited job vacancies.

On equity grounds, however, there is a strong argument in support of programs of this nature. To the extent that they can indeed improve the relative employment probabilities for those presently bearing the greatest burden of existing unemployment levels, direct job creation programs targeted to the more 'disadvantaged' unemployed can significantly reduce the burden of unemployment on those most seriously affected by redistributing limited, existing employment opportunities.

Although it would be iniquitous to single out for preferential treatment any one group among the more disadvantaged unemployed, it is clear that the young unemployed constitute one of the 'disadvantaged' groups who may significantly benefit from participation in direct, public sector job creation programs. The work experience and training opportunities offered by such programs may not only contribute significantly to the perceived 'employability' of youth with little or no previous history of work, but may provide one of the few means by which the more

disadvantaged of the young employed will gain entry to the labour force networks needed to gain access to subsequent employment opportunities.

ENDNOTES

1. These limits are discussed in detail in the Final Report of the Evaluation of the Victorian Employment Initiatives Program. There it is argued that the level of fiscal expansion necessary to bring Australia's total unemployment appreciably below a projected average of 700,000 over the 1983-87 projection period will encounter one or more of four identified constraints to overall economic growth. These are the balance of payments constraint; the capital capacity constraint; the inflation and inflationary expectations constraint; and the public sector borrowing requirement constraint. In the longer term, the only means of achieving the desired reduction in unemployment will be through the removal of these barriers to economic growth, a task calling for a blend of trade, industry and incomes policies. Only then, it is argued, will conventional fiscal expansionary measures to reduce total unemployment to desired minimum levels be effective.

2. BRAIN, P., A. KING and C. THOMAS et al. (1984) Evaluation of the Employment Initiatives Program: Final Report, Victoria: Ministry of Employment and Training.

3. Techniques for calculating probabilities of transition between employed, unemployed and 'not in the workforce' status are developed by Foster and Gregory (1982). These techniques were further developed for the EIP Evaluation by Foster and Brain in order to estimate employment probabilities for the unemployed in each of several, specified duration of unemployment categories.

4. The assumption used was that there was a uniform flow out of unemployment into not in the workforce across all durations of unemployment. However, it is likely that flows out of the workforce from unemployment will actually increase with increasing unemployment duration, thus further reducing the employment probabilities of those in the longer unemployment duration ranges. A further reason why the differential between probabilities of employment of EIP participants and non-participants may be underestimated is that the relative probabilities were calculated from a notional steady state distribution of 700,000 unemployed derived from the distribution of all unemployed by duration of unemployment which prevailed in March 1983. This was before the new, higher level of unemployment recorded at that time had achieved its steady state distribution, and it could be anticipated that a greater proportion of the 700,000 would subsequently have shifted into longer durations of unemployment.

5. The estimated relative employment probabilities of participants and non-participants will be overstated if the program does not bring former participants onto an equal footing with other new entrants to unemployment on termination of program employment, and conversely will be understated if former participants gain a relative advantage over other new entrants to unemployment through participation in the program.

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JOB GENERATION: AN ORGANISATIONAL STRATEGY TO CREATE LONG-TERM EMPLOYMENT

by Tom O'Brien

My book on Job-Generation proposes a **method** whereby co-operative organisations are established to increase long-term employment in selected regions. These organisations are given financial and personnel support by the local business community, together with access to assistance from the agencies of all three levels of government. The term job-generation has been specifically coined for this process. The components of the proposed strategy may not be original when considered in isolation from each other; but the total strategy, understood as a single package, is.

My book on the topic presents a cumulative argument for the organisational strategy. Although its language is simple, its argument has to be complicated to deal with the complexity of its subject matter. It is in fact written from a multi-disciplinary perspective which takes into account: philosophy, constitutional law, public administration, political science, sociology and economics. Carole Pateman's review in the Journal of Industrial Relations (June 1983) reflects an awareness of the many facets of the analysis.

However, when the book is judged on the basis of a single academic discipline, the narrowness of the focus may blind the reader to the strength of the argument. By contrast, those who read all of the book carefully, without trying to fit it into their own professional pre-conceptions, will find that it makes common sense.

Institutional Adjustment

In its essence the solution which Job-Generation offers is a sociological one. It is about structural change. From an economic perspective structural change can mean variations in the workings of the economy, like shifts in the prices of commodities which affect patterns of production. From a sociological perspective, structural change can also be interpreted to mean purposeful institutional adjustment.

Job-Generation claims that a structure is needed in a town like Ballarat to unite potential employers in a common endeavour to improve their businesses and employ more people. Research in America, Canada, England and continental Europe shows that it is the smaller employers, with a workforce of up to twenty people, who are most likely nowadays to be able to expand their workforce. However, the likelihood of their doing so in Australia is small, until they can appreciate the value of group strength and lobbying power.

Consequently, Job-Generation says that potential employers in established local firms need a corporate structure with its own

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professional staff to investigate how their businesses can be improved, new markets found and, especially, new labour employed. To the extent that this action requires either concessions or assistance by Government agencies, then the local structure should turn itself into a lobby to spell out what concessions they must first have to employ a specific number of extra people. When looking to Government for help in contributing towards a solution, it is extremely important to **quantify** all the dimensions of the local problem precisely. A Government than can ignore high unemployment rates will not welcome a well organised local lobby telling its departments precisely what is required. But a Government that accepts the full employment ideal would be well advised to take practical and well organised advice from the very people who have the best chance of finding solutions.

Job-Generation does not say that if you go to Wagga, Ballarat or Townsville, you will find businessmen there who can tell you what can be done. The book does say, however, that businessmen operating in such places have a much better chance of coming up with solutions than anybody else.

Before there is an adequately funded and intelligent inquiry into the local possibilities for expanding commercial activity, perhaps no new jobs can be generated. Complaints may well be made that taxes are too heavy, award wages too high, markets are not available, skills are in short supply, the return on investment is too low and so on. In the initial investigations such comments are to be expected. But these comments are all missing the point. They are concentrating on **what** is wrong and forgetting the further question about **who** can change what is wrong.

To turn the tables it is necessary to ask the further questions: Who can lower taxes? Who should assist local business in finding new markets? Who can identify what skills are needed and who should pay for the training? Who can provide venture capital at lower rates of interest? and the like. Having pin-pointed who ought to help, the local job-generation structure would then have to work out precisely what kind of help it wants. A committee would have a hard time trying to do this; but competent professional staff acting under the direction of a local committee could. The idea that small business, in identifiable regions, acting **on their own**, in competition with big business both at home and abroad, can successfully drum up new markets is a bit far-fetched. But overseas governments have programs to help their small business people to do so. For the sake of a better manpower policy we need more such programs here.

The Objective: to Cause Employment

Some critics have said that my book does not analyse the economic effect of technological change and has not dealt with the causes of unemplyment. In reply to the first point I suggest a more careful reading of the third chapter on 'The Technology'. The style therein does not conform to the usual patterns of economic analysis, but it does deal with the economic effects of technological change in an original way and sets the scene for the organisational strategy to cope with it.

To criticise the book for not dealing with the causes of unemployment is a crude comment on it. Because I have a keen appreciation of the concept of causality, I feel like asking my critics, Do you distinguish

between the cause and the occasion of an effect? Can you appreciate the difference between what philosophers mean by a 'material cause' and an 'efficient cause'? And can you seriously claim that the well-trodden path, sign-posted 'what are the causes of unemployment', has lead to a solution of mass unemployment?

Just because I specify that one particular chapter does not deal with the causes of unemployment (p.8) does not mean that the rest of the book does not deal with how to cause employment. From that it is logical to infer that one of the reasons that unemployment happens is because the causes of employment that I propose have not been put into effect.

An analogy will help to explain the difference between a cause and an occasion. If a man drowns in a fast flowing river because a bystander makes no effort to save him, a jury will find it hard to convict the bystander for not exerting himself or risking his life. The bystander may be blamed for a lack of initiative, courage or compassion. A jury may say that the part he played was an occasion of the doomed man's death. But the jury cannot prove that he caused the drowning. The bystander can say. 'I did not push him in. I was not the doer of any action that lead to the man's death; so it cannot be said that I was the efficient cause of the drowning. The river was in flood and fast flowing. They were the circumstances that lead to the man's drowning. So, if you like you can call them the 'material cause' of the death; but you cannot blame me!'.

Economists who discuss the circumstances of structural change may provide evidence of the 'material cause' of high unemployment rates. They may be able to identify **what** went wrong with the economy. But often such analyses do not lead to adequate remedial action because they fail to zero in on the 'efficient cause'. They focus on facts, not people. They do not analyse **who** are all the people who, either advertently or inadvertently, are causing - or are the occasion of - unemployment.

Job-Generation states that the actions of governments, employers and unions are often the occasions of unemployment (pp.26-35). The book reflects an awareness that naturally none of these groups wants to accept that it is a cause of unemployment. But if all of them can be confronted with the fact that mass unemployment results from each of them seeking their separate interests, then there is a chance that they will cease to be bystanders in regard to watching the tragedy of others. Instead, there is a chance that they will each realise (in the spirit of Mr Hawke's summit conference) that by working together they could become the efficient cause of more employment. That is what Job-Generation aims to do in practice in selected regions.

SOME PERSPECTIVES ON THE ROLE OF LOCAL GOVERNMENT IN JOB CREATION

by

*Josef Horinek**

The Role of Local Government: Western Sydney Region

The involvement of local government in job creation predates the existence of major public sector programs such as the Wage Pause Program (WPP)and the Community Employment Program (CEP). In the Western Sydney Region, to which the comments in this paper relate, Councils have been engaged previously in job creation strategies ranging from their participation in government job-subsidy programs to private sector enterprise development in localities throughout the Region.[1]

Councils in Western Sydney were aware of the need for the provision of more jobs for their local citizens before the severity of unemployment in local areas of the Region was quantified by the release of Commonwealth Employment Service (CES) statistics in March 1983, and subsequently.[2] Despite their awareness of the decline in employment opportunities, Western Sydney's Councils were not in a financial position directly to improve employment prospects before the advent of programs like the CEP. Limitations on revenue raising imposed by ceiling rates, Council's lack of capacity to service new loans, and low per capita shares of Commonwealth Government revenue[3] have meant that Councils, generally, have encountered difficulties in maintaining current levels of services and employment within their own administrations. Indeed, in some instances in the recent past, Western Sydney Councils have been forced to rationalise services and employment in order to avoid budgetary deficits.

Coinciding with the imposed financial constraints upon Council's activities, the growth in local populations in many parts of Western Sydney caused by urban residential development has lead to increasing demands for the provision of services. Not only has there been increasing demand for the services with which traditionally local government has been concerned, but Councils have also been asked to provide a range of community and welfare services which are often outside the limit of what Councils perceive as their rightful area of concern. That Councils, generally, also perceive they have been given neither the philosophical or financial brief by senior levels of government to address these new issues is probably the single most significant impediment to their doing so.

Unemployment and job creation are probably the most important of the new issues with which local government is concerned. While there has been an increase in demand by local labour forces for employment opportunities, and an increase in demand by Council's constituents for the employment of service providers, Councils have had the capacity to affect

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the supply of employment opportunities only in the most marginal sense. The following comments examine the nature of the involvement of Western Sydney's Councils in job creation now and in the past, and also outline constraints on effective action.

Councils and Job Creation Before the CEP

Before the large-scale public sector job creation programs, Western Sydney Councils participated in various government-sponsored programs, in varying degrees, depending on their financial capacity in some instances, and, in others, on the views their Aldermen and officers took of what constituted employment and work. Among the most popular and well-used programs were:

- the State Government Youth Training Program (SGYTP), a program similar to the Special Youth Employment Training Program (SYETP), in which the NSW Government fully subsidised the cost of wages paid to young persons employed by government departments or Councils for a limited period
- the Special Council Employment Scheme (SCES), a program similar to the SGYTP directed at older workers
- the Commonwealth Rebate for Apprenticeship Full-time Training (CRAFT), used by both individual Councils and the WSROC Group Apprentices Scheme.

The main difficulties, in the case of the SGYTP and the SCES were the inability of Councils to provide continuing employment at the conclusion of the subsidy period, and the sometimes scant attention paid to the training and supervision needs of program participants. In the case of the apprenticeship-oriented programs, Western Sydney Councils continue to employ apprentices individually and through the Region's Group Apprentices Scheme,[4] but the numbers of those who can constructively be employed is miniscule in comparison with both the supply of potential apprentices and the likely future needs of industry.

Apart from their involvement in directly employing persons, Western Sydney Councils have also engaged in enterprise development activities, often in conjunction with the NSW Government. Such activity, oriented towards the provision of industrial estates and facilities, has often lead to the expansion of fixed capital assets rather than employment opportunities; it has also tended to favour industrial activity in the declining manufacturing sectors rather than taking a more innovative bent. However, on balance, it can be said that such enterprise-encouragement by Councils has meant the existence of employment opportunities where they otherwise would not exist, and so must regarded as a positive step, despite its shortcomings.

The Role of Local Government in Job Creation

The foregoing comments relating to the interaction between local government and State government departments concerned with industrial development, and the rather myopic view of such activity held generally by local government indicates the central issue of local government's role in job creation: the issue of **employment planning**. The lure of CEP funds is generally too strong for local governments to resist, despite the real or imagined difficulties of some Councils in meeting the costs of the required sponsor contribution, and the limitations imposed by the program guidelines. CEP has confronted local government with the question of

employment planning and its implications for them. In brief, these are:

- What is employment planning?
- How does it relate to land-use planning?
- Does local government have a role in employment planning, or is this the province of the other levels of government?

This author has argued that local government does have a role in employment planning, but that it needs to be legitimised and appropriately resourced by State and Commonwealth Governments. Local government is well placed to seek out and supply the sort of local information required for job creation at local levels which government instrumentalities acting at macro-level cannot/will not/do not obtain. Local government knows about conditions at local level, and if it is to be asked to report on those conditions, it should be given the means to do so effectively.

Despite the speed with which the Wage Pause and Community Employment Programs were introduced (which has allowed local government little time for either program development or the development of a policy on job creation), some Councils have recognised that they are integrally involved in employment development activities at local level, and have initiated strategies which actualise that involvement and are assisting Council in moving towards a policy on employment issues. Because job-creation is such a new issue for local government, it is only recently that structures have been developed in Councils to deal with it. In the most progressive instances, Councils have appointed Employment Development Officers and/or established inter-departmental working groups to act as the administrative arms for involvement in programs and policy development. At the other extreme, some Councils have been content to define job creation in strictly traditional terms and given exclusive responsibility for it to, say, their Engineering Department.

In Western Sydney, the Fairfield City Council has taken the most progressive attitude towards job-creation and the availability of CEP funds. Early in 1983, before the CEP began, Council, using its own funds, appointed an Employment Development Officer. Council defined the responsibilities of that Officer as being to:

- investigate and report to Council on the characteristics of the local employment situation
- undertake studies into the labour market to identify future trends and implications for local economic development opportunities
- encourage the development of new employment intiatives in response to the needs of the community
- evaluate the progress of outcomes of government-funded employment schemes and other local initiatives
- advise Council and the community on government policies and funding programs
- undertake consultations and provide support and co-ordination on program development, both for Council and the community
- co-ordinate the development of Council-related employment programs
- assist in the identification of skills training opportunities
- assist in the development of local economic development initiatives.

The initiative of Fairfield Council has already borne fruit. In the first round of funding under the CEP, Fairfield received approval for all projects submitted, which provided employment for more than 80 persons. Projects initiated ranged in type from traditional works-oriented projects (e.g. kerbing and guttering) to innovative projects such as the employment of an itinerant story-teller to work with children in community groups and libraries. The nature and mix of projects were determined at meetings of the heads of the various Council departments with the Employment Development Officer acting as the submissions secretary and assisting in the development of individual departments' projects. In addition to the work of co-ordinating Council's involvement in the CEP, the Employment Development Officer also acts as an adviser to community groups in the area who are submitting for CEP funding, and as the executive officer of the Employment Committee of Council. That Committee oversees the work of the Employment Development Officer in Council, as well as concerning itself with other issues, such as access to and availability of higher education places to the community, innovative employment projects which are independent of CEP funding (Council is presently involved in an ambitious community farm project, for instance) and mainstream entrepreneurial/employment development projects.

The value of employing an Employment Development Officer, as demonstrated by Fairfield Council's initiative and its results, has not been lost on others of Western Sydney's Councils. The Councils of Liverpool, the Blue Mountains and Holroyd have submitted to the CEP for funding to employ similar officers and, at this time, it is understood that all such submissions have been approved. However, not all of these Councils have defined for themselves the role that such an Officer is to perform. There is a divergence of ideas in some Councils about what the Employment Development Officer will do, which perhaps reflects a conflict of interests between the wishes of elected representatives and the pragmatic, if not cynical, views of some officers towards job-creation.

Constraints on Effective Action

The issue of conflicting views within Councils on employment and job creation will require much more discussion before effective employment planning can take place within the context of any given Council. However, this is only one of many constraints hindering the often well-meaning actions of Councils in response, specifically, to the CEP.

The limited capacity of Councils financially to support job-creation projects was outlined earlier. Though not all Councils are similarly placed, it is a reality that those in areas of rapid growth will be most pressed to provide the 30 per cent financial contribution normally required of sponsors under the CEP. Many Councils in such a position have managed to convince the CEP Secretariat of their financial hardship and secured grants requiring a later contribution. Even with a reduced sponsor contribution requirement, however, it may be difficult for some Councils, whose notion of job-creation is tied to traditional activities which do not sit well with the current requirements of CEP guidelines, to commit their own funds to activities they regard as 'make-work'. A part of the answer to this problem is the commitment by the CEP of resources for Councils for the development of innovative projects which suit local needs and fulfil CEP guidelines. At present, the administrators of CEP have the capacity only to process applications, and insufficient resources to engage in project development activities.

The foregoing discussion of internal financial considerations in Councils is also closely related to any individual Council's perception of what constitutes job-creation, which in turn colours that Council's involvement in programs like CEP. For some Councils, job creation is the province of mainstream industrial activity, usually in the private sector, which is already present in a locality. In such a context, job creation is practised by local government in the narrow sense of providing incentives for industry to expand its operations or to relocate from another area. For Councils with such an ideological position, a program such as the CEP, with its targeting of disadvantaged participants, is tainted by a 'welfare' orientation not perceived to have much connection with the 'real world' of proper work (which is usually men's work).

Another constraint on effective implementation of the CEP in local government relates to the speed with which the program has been implemented and the lack of time for development of projects. In the rush by program administrators to get people on the ground in order to satisfy the larger political goals of CEP, local government (and community groups, for that matter) has found that it needs to be geared up to cope. That Councils have not been ready for CEP is manifested by indicators such as:

- a lack of definition, in Council's administration, of officers responsible for developing and implementing projects
- the lack of imagination, generally, of projects proposed
- the inadequacy of provision for supervision and training of project participants.

The last mentioned aspect also relates to a grudging and cynical attitude by some Council offiers to the CEP and unemployed participants. Such an attitude may have its roots in those officers being asked to undertake work additional to their normal workload, because of the lack of supervisory resources which are provided by the CEP.

That there is not always in Council's submissions for CEP projects a clear perception of the need for adequate training for program participants is also a major impediment to a worthwhile outcome of the CEP. Again, this issue is closely tied to adequate resources for project development by the CEP secretariat, and the need for a process of education for Councils in what constitutes job-creation. The targeting of disadvantaged participants by CEP guidelines has overlooked the need for an appropriate mix of skills (which must include some sophisticated skills) to make a project group which is capable of working together, getting the job done, and ensuring some longer-term outcomes for its participants beyond the limits of project funding.

Finally, difficulties in the recruitment process for CEP participants are a further impediment to the success of projects. In most projects submitted by both Councils and community groups, there is a need identified for skilled persons who are unlikely to be recruited from amongst unemployed persons targeted by CEP guidelines. It is important that the CEP administrators recognise that Councils cannot always supply such skills from amongst their current staff, and that they may not be able to support, financially, the employment of such persons from the sponsor contribution. Another aspect of recruitment difficulties relates to the involvement of the Commonwealth Employment Service (CES). Some Councils have expressed dissatisfaction with the performance of CES in sending inappropriate persons for CEP positions, or in not referring a

sufficient number of persons, but generally such problems have been minor and capable of resolution by better liaison between Council and the CES. Such liaison, of course, demands that an officer in Council be nominated to perform it, and that Councils precisely define their needs to CES, both of which reasons support the need for co-ordinating personnel such as Employment Development Officers in Councils.

Some Suggestions for More Effective Involvement by Local Government in Job Creation

In conclusion, the following are areas of concern which deserve attention in order to improve the dynamics of the Commonwealth Employment Program, as they relate to local government.

In the first place, Councils should become more active in the **planning** of their involvement in job-creation. Such activity might include the establishment, at both Council and administration levels, of mechanisms to co-ordinate their job-creation activities; the appointment of officers to be responsible for these activities, and the long-term programming of job-creation projects for the duration of the CEP. One example of the latter might be rolling projects at one site or with a single, major focus which employ successive intakes of participants.

Secondly, the administrators of the CEP should ensure that Councils are **adequately resourced** to perform the functions outlined by the program guidelines. Such resourcing involves assistance in the development of a Council's attitude to appropriate, local job-creation; assistance in the development of worthwhile projects which meet both local needs and program guidelines, and the provision of sufficient funding to properly do the job intended.

REFERENCES

1. The Western Sydney Region is defined by the Western Sydney Regional Organization of Councils (WSROC) as an area encompassing the local government areas of Auburn, Baulkham Hills, Blacktown, the Blue Mountains, Hawkesbury, Holroyd, Liverpool, Parramatta and Penrith. This area currently has a population in excess of 1 million persons [see also Clearinghouse Newsletter, November 1982].

2. Refer to Unemployment Levels in Western Sydney, WSROC, July 1983, and Second Report on Unemployment Levels in Western Sydney, WSROC, February 1983, for an analysis of the CES data at local and regional levels in Western Sydney.

3. For a thorough examination of the issue of Commonwealth Government revenue sharing by Western Sydney Councils, refer to the Third Report on Local Government Finance and Commonwealth Revenue Sharing in Western Sydney, WSROC, November 1983.

4. A detailed description of the Group Apprentices Scheme operated by WSROC, and some other Council-operated employment projects is available in Models for Job Creation, WSROC, December 1983.

THE COMMUNITY EMPLOYMENT INITIATIVES UNIT: A WESTERN AUSTRALIAN GOVERNMENT PROGRAM

*by Peter Kenyon**

Background

From the mid-1970s, high levels of unemployment had lead to an unprecedented interest in Western Australia in the possibility of creating employment through direct local job creation initiatives. Such interest mirrored developments in other States, and in overseas countries like the United Kingdom, Ireland, Italy, New Zealand and France, where a range of Co-operative and Community enterprise structures have been relatively successful in contributing to the fight against unemployment.

Following the example of the States of New South Wales, Victoria and South Australia with their schemes for providing support for unemployed people to move into co-operative or self-employment ventures, the West Australian Labor Party before the 1983 State Election pledged that 'A State Labor Government would provide assistance through grants, loans, training, guidance and support to groups of young people who intend to establish viable Co-operative Business Ventures ...'. The promise concluded with 'It will involve the State Government, Community groups and young people themselves with the choice to develop meaningful and effective employment opportunities'.[1]

The first step in honouring that promise was the appointment of a Co-operative Projects Officer to examine initiatives elsewhere, and recommend possible policy and guidelines for the implementation of a series of options in the area of co-operative and community employment initiatives.

The Report of the Projects Officer[2] was released in December 1983 by the then Minister of Employment and Administrative Services, then Hon. D. Parker. The Minister announced that a number of the recommendations of the Report had been accepted by the State Cabinet, and that a major State Government initiative was to be the establishment of the Community Employment Initiatives Unit, as part of a reconstituted Department of Employment and Training

The Community Employment Initiatives Unit: Structure and Objective

The Community Employment Initiatives Unit (CEIU) was given the responsibility of implementing and overseeing the major recommendations of the Report. Funded from the State Government's Employment Strategies Fund, the CEIU has a total of twelve project and support staff. It has been operational from the beginning of March 1984.

The general objective of the CEIU has been to promote and assist the involvement of local communities and their organisations in creative

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responses to unemployment. It has sought to fulfil this role by:

- collecting and disseminating information about successful local initiatives so that other communities and organisations may learn and benefit
- providing a 'broking role' in linking employment ideas to community resources
- bringing together personnel from all levels of government, community organisations, trade unions and business to assist in the development of effective action at the local level
- promoting positive interaction between unemployed people and their communities
- maximising the use of resources (especially funding and technical assistance) for locally based employment projects
- working through and supporting existing initiatives and organisations
- assisting in the development of appropriate community-based training programs
- administering four specific programs that can be used by local communities; namely, Co-Action, Community Initiatives Scheme, Self Employment Business Ventures Scheme and Co-operative Advisory Service.

Co-Action Program

Co-Action is a community action program for unemployed people. It is based upon a successful scheme in South Australia called CITY, Community Improvement Through Youth, which over the last six years has involved 9,000 unemployed people, 30 per cent of whom had been unemployed for over 12 months.[3] Building upon the success of CITY, Co-Action has been introduced in Western Australia with a similar philosophy and structure - the only major difference being the elimination of the specific youth focus making it available to all unemployed people.

Co-Action provides unemployed people with the opportunity to plan and implement projects that interest them, develop new skills and contribute to the community. It also increases their ability to influence and change the community in which they live. Co-Action projects are carried out on a voluntary basis, but funds are provided to cover capital expenditure, operating costs and transport. The group of unemployed participants also has the support of a project officer and a community representative.

Examples of Co-Action projects supported so far include:

- production of a Community newspaper in a country town
- building of an adventure playground in a Women's Refuge
- operating a regular radio program on unemployment
- renovating facilities at a community hall
- organisation of a series of events on the contribution of Italian people to the city of Fremantle
- running of classes on proper pet care in local primary schools.

Characteristics of an effective Co-Action project include the following:

- Unemployed people initiate the project and control the planning and implementation of it.
- The end result of the project is of tangible and lasting value to the local community.
- It links unemployed people to their community.
- It provides satisfactory work for participants and enables skill development; e.g. work skills, life skills, entrepreneurial skills.
- The experience enables unemployed people to grow in confidence and esteem as a result of managing a successful project.
- It develops concern in the community about unemployment.
- It does not take work away from the local labour force
- It shows the community that people out of work are active and have something worthwhile to contribute.

While the contribution to the community is an important aspect of a Co-Action project, the major emphasis of the scheme is on the benefits that the unemployed will gain from their participation. Co-Action, by providing meaningful work experience, is giving unemployed people access to the benefits enjoyed by people who are employed. The financial rewards may be missing, but social contact, status, a sense of achievement, direction and involvement in activity that has a purpose can provide personal satisfaction, confidence and self-reliance that would otherwise be lacking. In addition, through their involvement in Co-Action projects, unemployed people can maintain and develop a variety of skills appropriate in a future labour market when and if economic recovery occurs.

In summary Co-Action represents an important foundation activity of the CEIU because it provides -

- a training model of learning by doing
- a starting point for those unemployed people who have suffered the social consequence of long term unemployment
- a unique experience in linking unemployed people in a meaningful way with their local communities in projects that bring together employed and unemployed.

The Community Initiatives Scheme

This Scheme provides small seed grants to assist the establishment and development of community based employment projects. Such initiatives being funded include:

- the running of community seminars on unemployment
- the establishment of a Community Employment Taskforce to provide a focus for community responses to unemployment
- the creation of community business ventures
- the operation of a Casual Labour Exchange to provide part time and casual work opportunities
- the provision of Workshop space for new ventures
- the establishment of a Local Enterprise Agency to provide technical and professional assistance, and new business creation

- the implementation of local community-based training courses to assist unemployed people
- conducting of research into appropriate employment responses.

The Project Officer administering the Community Initiatives Scheme is also engaged in

- the preparation of a series of information guides on community employment initiatives and sources of assistance
- the organisation of relevant seminars and training events
- research into other sources of funding for projects that cannot be funded through the Unit's programs
- the provision of consultation advice to local communities and organisations interested in local employment creation.

The Unit is particularly interested in examining a number of successful overseas support mechanisms for local job creation, and their potential application to Western Australia. These support programs include the Scottish Community Co-operative Scheme, the Community and Youth Enterprise Program (Ireland), the Community Training and Employment Consortia (Ireland), the secondment scheme conducted by business in the community (U.K.), the Local Enterprise Agency Concept (U.K.), the Rank Xerox sponsored 'Instant Muscle' Casual Labor Exchange Program (U.K.), the Katimavik Community Work and Learning Program (Canada), the Community Enterprise Loan Trust (New Zealand) and the Work Trust Model (New Zealand).

The Co-operative Advisory Service

In response to the growing interest in co-operatives within the community, this service has been designed to actively promote and assist in the establishment and development of viable co-operative ventures which

- provide meaningful long term employment with the potential for the development of skills and career structures
- involve some form of democratic control by its members
- operate in accordance with recognised international co-operative principles.

The service has benefited greatly from the experiences of similar programs in NSW and Victoria. However, a definite decision has been made to broaden the scope of activities beyond the Worker Co-operative model, which is the sole direction of the NSW and Victorian programs. Project officers are involved in assisting a range of co-operative business ventures that create additional and meaningful employment:

- Worker Co-operatives - a form of business where control is vested in the workforce on the basis of one worker, one value. Its primary principle is that labour hires capital, not that capital hires labour.
- Community Co-operatives - a business venture which draws its members and centres its benefits on a particular geographic area. Ownership and control is shared by both the workers within the co-operative and the local community members and organisations. Profits and other benefits are distributed by the group to benefit the community.

- Service Co-operatives - the primary objective of these ventures is to provide a service of benefit to their members. Examples include food and childcare co-operatives, which are becoming meaningful in terms of their job creation potential.

The scheme is based on another successful program in South Australia which over the last five years has created over 130 businesses with a success rate of 77 per cent and at the average cost of $1,500 per job created. The scheme will certainly meet a need in this State if the initial enquiries are any indication - within the first four months of 1984, over 3,500 enquiries were recorded.

The financial support offered by the scheme represents a combination of a grant and interest free loan up to $3,000 for individuals and $6,000 for groups. To qualify applicants must

- be currently registered at CES as unemployed
- present a sound business proposal that clearly demonstrates potential viability, i.e. a genuine gap within the market
- demonstrate that their proposed business will not adversely affect employment elsewhere.

All applications are researched thoroughly by a Project Officer, and presented to a Funding Committee comprising representatives from the small business sector.

Community Based Education and Training Program

The Unit has recognised the importance of providing an educational support program for any new community job creation initiative. A wide range of programs is being planned or implemented by Project Officers, and these include

- seminars on the structure and operation of Casual Labour Exchanges
- seminar on sources of funding for community employment initiatives
- intensive ten-week training program for unemployed people interested in Self or Co-operative employment
- a series of one-day workshops for Community Youth Support Scheme (CYSS) Project Officers entitled 'The Self Employment Option for Unemployed People - the First Aid Counsellor Role of Community Workers'
- one-day conference on 'The Co-operative Option' in conjunction with the Western Australian Council of Social Service (WACOSS)
- three half-day seminars for people interested in Work Co-operatives on the topics of 'Formulating a Business Concept', 'Marketing Strategies' and 'Management in a Co-operative Context'.

A Co-operative working relationship with TAFE, the Small Business Development Corporation and Community Enterprise Development Agency has proved vital in mounting such initiatives.

Regional Focus

As well as being allocated to one of the four specific programs of the Unit, most project officers are also members of small teams providing a co-ordination focus in a specific employment priority area. The role of each project team is to

- encourage interest in community employment initiatives
- encourage use of CEIU programs
- maximise use of funding resources from other sources
- promote the involvement of business and service groups
- liaise with local council personnel, Members of Parliament and community workers
- form appropriate working parties.

In addition, project staff from the Unit have received an increasing number of requests from country towns to address public meetings on possible local community responses to unemployment. Such meetings have already lead to the formulation of local Employment Taskforces, and the planning of community business ventures and Casual Labour Exchanges.

Information Exchange

One of the most tangible results so far has been the development of the Unit as the focus for the distribution of information relating to community-based employment initiatives. As well as handling an increasing number of telephone and personal enquiries, the Unit has been involved in exposing individuals and groups to a wide variety of practical and creative responses to job creation. This process includes

- co-ordination of a weekly fifteen-minute radio program on Community Initiatives
- regular participation in an evening talkback community care radio program
- publication of a series of information bulletins and discussion papers
- publication of a series of information booklets on community initiatives (at this stage three booklets have been published: Local Enterprise Agencies, Community Business Ventures and Work Trusts)
- the monthly production of a Community Employment Initiatives Broadsheet which aims to provide an 'easy to read' summary of imaginative projects operating locally, around Australia and overseas. In addition the Broadsheet provides an update of funding possibilities, printed resources and appropriate training courses. The Broadsheet is distributed to a wide range of community workers, local and State government personnel and service club Directors
- development of a small lending library of audio-visual material on community employment initiatives.

These activities are seen as a vital contribution to the recycling of visions around the community.

Conclusion

None of the strategies of the CEIU should be viewed as a panacea for unemployment. The vital importance of Federal Government stimulus to the economy and the operation of major labour market initiatives like the Community Employment Program and General Training Allowance Scheme are recognised. However, stimulus of local economic and employment development represents a new option. An option that State Governments with limited resources can view as an achievable and realistic gnal.

The activities of the CEIU have already demonstrated the return to the community that comes from

- making available a range of options that reflects different starting points for unemployed people and their communities
- providing opportunities that enable unemployed people to be involved in the planning and implementation of projects that affect their future
- showing the achievements and visions of others responding to the same employment problems
- encouraging meaningful involvement of local communities in unemployment responses, thus ensuring that unemployment does not remain a government problem nor an unemployed person's problem but becomes part of community debate and deliberation
- supporting the creation of new small enterprises within market gaps that increase the range of products and services within the community and have a multiplier effect in terms of employment generation.

Finally it has been the daily experience of members of the Unit to discover that

'In the fields of opportunity it's ploughing time again'.

FOOTNOTES

1. Australian Labour Party. Youth: The Future of the West, 1983, p.12-13.

2. State Employment Taskforce, Co-operative, Community and Self Employment Business Ventures - Policy Options for the State Government. December 1983. [See Abstract 84/C:45].

3. For further details see Information Kit issued by Community Improvement Through Youth, G.P.O. Box 465, Adelaide, S.A. 5001. [See Abstract C57].

THINKING ABOUT JOB CREATION

by C. Blakers

Job Creation: The Context

Job Creation, for a great many people, still carries the taint of 1930s work relief schemes and the suggestion of wasteful inefficiency which has (rightly or wrongly) come to be associated with the Regional Employment Development Scheme (REDS) of the early 1970s. Both of these represented attempts to relieve the immediate hardships of temporary unemployment, in the expectation that upturn in the economy would remove the problem and the need. The depression of the 1930s was dramatically relieved by the outbreak of a world war, which in turn generated years of expansion and plenty in terms of demand for labour.

The unemployment of the 1970s to which the RED Scheme was directed has proved to be more enduring. Looking back a decade later, it is possible to see how unfounded have been the persistent assumptions that unemployment is a temporary aberration from a norm of full employment. On the contrary. It was the period of the 1950s and 1960s which constituted the unusual in human history. Unemployment has always been a feature of western industrial society; periods of intense social and technological change simply bring the problem to public attention. The hardships of unemployment and social disruption are borne by those least able to turn the processes of change to their own advantage. What we are seeing now in Australia is the kind of social structural change which, in the eighteenth and nineteenth centuries, generated factories and towns, uprooted village life and set masses of people adrift to survive as best they could. The outcomes are well recorded in nineteenth century literature.

In the 1980s, we are just beginning to acknowledge that technology, which has already changed our living and working conditions, is now with increasing rapidity changing the structures of industry, the basis of our economy and the nature of work itself. Though the effects on labour market demand are still unclear (since there has been little attempt to monitor them systematically), it seems that those in the community presently most affected are those whose personal and work skills are few. If Barry Jones is right, the changes to be expected in the coming decades will go further still, affecting the inherited 'work ethic' and displacing work as the central focus of the individual's life. The major question which then looms for the society is to find another means of income/wealth distribution. For individuals, the questions centre on the use of time and on worthwhile activity.

Some of those who speculate about the future conceive a society in which the work will be done by a minority of highly skilled technocrats, leaving the vast majority of the population to consume the products of technology and 'kill' time in a variety of mindless pursuits. Television and video cassettes then come into their own as the great pacifier, and the society is then well on the way to becoming a version of Huxley's Brave New World. Others with a greater faith in the drive and energy of human character and curiosity see the changes that are occurring as an eventual liberation of the mass of the population to pursue those activities of creativity and service which contribute to the quality of

human life, but which for so long in a materially oriented society have been regarded as non-productive luxuries which can seldom be afforded. No doubt the future will be an undirected and unintended muddle of the two.

What seems fairly certain is that we are unlikely to experience again in the near future the 'full employment' of the post-war decades. In the nineteenth century, a measure of general prosperity for western societies followed the development of colonies as sources of raw materials and markets for finished products. Unless we attempt the same kind of expansion in outer space, this does not seem a possible solution for the 1980s. Nor does the kind of war which rescued the world from the depression of the 1930s - except in so far as such an option offers a final solution to all problems. The society is then thrown on its own resources, material and human (but especially human); it can either drift on the tide of change or do what can be done to control the directions and the outcomes. If the latter, the first requirement is to recognise that the social and industrial changes in the society are not temporary but fundamental and far-reaching. However nostalgically attractive the past, we cannot go backwards.

This is the background against which Job Creation has to be considered as one of the measures which can be taken, not simply to relieve unemployment for some people in the short-term, but as contributing to a more stable and adaptable society in the longer term. Job Creation of this kind raises a number of questions and issues which will need much greater attention than they have had if the whole concept of 'creating' work is to be more than a passing enthusiasm. Among these questions are:

- What is actually happening in the labour market demand for occupations and skills?
- What kinds of jobs can or should be created?
- What are the roles and responsibilities of federal, State and local governments?
- What are the requirements for successful job creation?
- Who are the participants?
- Who pays?

Labour Market Demand

The point has been made many times in material abstracted by the Clearinghouse and in articles published in the Newsletters and Bulletins that we as yet know little about the changes which are taking place in the labour market and which affect the kinds of skills and occupations required or made obsolete. Michael Taylor comments that 'there is a tendency to assume that a job once created is a job for ever; it is invested with autonomous existence'. Yet jobs, like capital equipment, become obsolete. We no longer employ street lamp lighters or crossing sweepers. We need something more concrete than a few case studies, speculation and anecdote if we are to understand where and how employment is declining or growing and what skills and people are being affected. It would be nice to think that we could begin to develop a continuing process for monitoring the effects of change on social and industrial patterns, on living and working. This would involve a co-ordination of research and information which could indicate trends and provide a basis for coherent policies and programs.

Creating What Jobs?

If the premise of long-term structural change is accepted, then the 'make work' employment schemes of earlier years are hardly acceptable. It makes little economic or social sense to use human beings in heavy, tedious and repetitive work which can be done more easily and effectively by machines. Two classes of job creation seem to be emerging in recent practice. One is the provision of funds to public or private enterprises (including community organisations) which enables them to employ additional staff for limited periods. These jobs, generally intended for the long-term unemployed, provide the new employees with some experience of work and perhaps also some training. At their best, these kinds of employment creation, as Claire Thomas indicates, can bring advantage in the job market to those who are badly disadvantaged. They can also enable employers (particularly in the public sector and in community organisations) to carry out some specific and worthwhile projects for which funds would not otherwise be available. Their disadvantage is that many of them do not, in fact, 'create' jobs. They provide funding for existing work to which the society has given low financial priority; they are short-term; they are isolated, in the sense that they are not built-in to any overall concept or structure of employment and training; often they merely re-shuffle the pack of unemployed and in some cases are used to displace already employed workers. Failing adequate longitudinal and case studies, we do not really know where the balance of advantage and disadvantage lies in this kind of employment creation, though its intangible contribution to a community sense of increased opportunity and to the self-respect of the individuals involved is not to be undervalued; nor is the fact that much worthwhile work is accomplished despite the frustrations for all concerned inherent in the guillotine effects of short-term programs and funding.

A second category of job creation is concerned with creating jobs which are longer term and can become self-sustaining. Work co-operatives and self-employment ventures fall into this category. This concept of job creation is based essentially on the belief that there are needs in the society which are not currently being met and that meeting these needs could create work for those who are unemployed. Such needs encompass a range of work: from the supply of goods and services to activities which enhance the quality of living and the extent of caring in the society or contribute to thought, culture and creativity. Their common element, however, is that they demand the input of human endeavour and human skills which are beyond the scope of technology (though some technology may be capable of being used in a contributing way). Such activities produce work of human scale to balance the large scale, the impersonal and the increasingly centralised operations which make for efficient use of much of the new technology. This kind of job creation is rich in potential, since it depends on the development of human resources which, in our society, have been consistently ignored as a source of productivity and prosperity. But developing the potential requires more than approval and some initial funding. Thrown into the deep end of this kind of job creation, few participants will be able to swim. They need the support and advice which can best be supplied by far-sighted and co-ordinated government programs.

Government Roles and Responsibilities

Job creation is only one of many measures available to government and necessary if the problem of unemployment is to be approached on a long-term rather than an ad hoc basis. To fund it as a short-term measure unrelated to other policies and action is to restrict its potential substantially and to leave many participants no better off than they were as far as employment is concerned, and personally even less hopeful about the future. As a policy, job creation needs to be related in concept and structures to other policies and programs directed to education and training, income support, changing patterns of working hours and working life. Such policies and practices need to be developed co-operatively and in co-ordinated ways by the three levels of government: federal, state and local or regional. They also require similar co-operation between private and public sectors and, within the public sector, between departments and agencies involved.

Given the development of co-ordinated policies and structures, local communities become the centre stage for the action since, as Horinek and other writers point out, they are in the best position to discover potential in needs and people and to provide encouragement for small business which, it seems to be generally agreed, is likely to become the best source of labour demand. This does not mean that the onus of responsibility can be thrust on local government and community. Structures and relationships, some of which are outlined in the foregoing papers, should be such as to allow each level of government to contribute effectively according to its role.

The Requirements for Successful Job Creation

Whatever kind of job creation is envisaged, appropriate education and training have to be available at need for those participating. This may be supplied by on-the-job training in some cases, but there is a need also for access to further education/training to meet developing needs or make up past deficiencies. In this respect, the role of education, both formal and informal, has hardly begun to be appreciated; nor have the implications for the kind of education/training provided in schools, TAFE and other institutions.

For ventures attempting to supply needs, other kinds of support are also essential. There is a growing evidence that among the major causes of small business failure are a lack of adequate venture capital and a lack of expertise in financial and organisational management. The same applies to new ventures in job creation (see, for example, Flitcroft 84/C:11) with an additional requirement for cheap and appropriate accommodation. All of this argues the need for support, advice and help in these and other areas. Peter Kenyon's paper indicates the range of needs which already have made their presence felt.

The Participants

Finally, there is the question of targets for independent job creation schemes. It cannot be expected (though it sometimes seems to be) that young people, particularly those lacking experience and skills and suffering the personal effects of long-term unemployment, should be able suddenly to engage co-operatively in successful business ventures. They

have not had the opportunities for on-the-job acclimatisation and training which were provided in past years to young people entering employment as juniors. Such entry level positions leading to careers are now declining in number, but similar intangible benefits of working with older and more experienced persons could be provided if at least some job creation schemes encouraged co-operative groups of people of mixed ages and backgrounds. Both old and young might benefit, as might the society as a whole.

Who Pays?

As Peter Allen's paper indicates, job creation costs public money. Even allowing for short-term returns in reduced unemployment benefits, possibly higher tax returns and the effects of increased consumer demand, governments are faced with considerable costs in job creation schemes. Providing the money involves either reducing the allocation for something else or increasing taxes or perhaps, as with Medicare, imposing a levy. Whether governments are willing to do more than make an occasional splash with short-term funding of job creation programs depends on how seriously they view levels of unemployment and how realistically they see its nature as structural and long-term rather than cyclical and short-term. The views and policies of governments, in turn, reflect and are constrained by the perceptions of the community and the priority which people are willing to give to dealing seriously with the problems of unemployment. Priority for unemployment means, in effect, re-distributing income from those who are employed to those who are not. There is little to make us optimistic about how Australians view such attempts at re-distribution; but perhaps the time has come to stop glossing the picture: to provide the hard public information which will ensure that the choices have to be squarely faced. We can no longer wait like Micawber for 'something to turn up' to rescue us from our difficulties. Shirley Williams (A42) has the last word: 'Full employment may indeed be unattainable, but the truth is that we have only just begun to try'.

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IN THIS ISSUE

	Page
* ABOUT THE CLEARINGHOUSE	1
* QUIDNUNC	3
. Projects of Interest	3
. Recent Appointments	8
. Conferences	10
* ASPECTS	12
. Aboriginal Youth Issues by *Bill Hoyles*	12
. The Work Resources Centre, Canberra, ACT by *Gail Lewis*	16
* LOOKING AT OTHER COUNTRIES NO. 5: WEST GERMANY	21
. Training Programs for School Leavers in West Germany by *Friedrich Fürstenberg*	21
* POLICIES, PROVISIONS AND PARTICIPATION	25
. Aboriginal and Torres Strait Islander Secondary Education and the Participation and Equity Program by *Paul Hughes* assisted by *Frances Bray*	25
. The Participation and Equity Program: A Western Australian Perspective by *Peter Dunnell*	30
. Developments in PEP	33
. Ministerial Review of Post-Compulsory Schooling. Discussion Paper issued by the Minister of Education in Victoria: A Summary by *C. Blakers*	37
* YOUTH STUDIES: THE RESEARCH	41
. The Youth Labour Market: Employers' Views and Practices by *C. Blakers*	41
. Statistics on Youth Employment by *Moira Rowland*	64
* REVIEW PAPER NO. 12	70
. Perspectives on Job Creation: A collection of papers by different authors	